

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

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PA DEPARTMENT OF  
BANKING AND SECURITIES

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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND  
SECURITIES, BUREAU OF SECURITIES  
COMPLIANCE AND EXAMINATIONS

Docket No.: 180015 (SEC-CAO)

v.

JOHN G. HARRIS  
d/b/a HARRIS FINANCIAL MANAGEMENT

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CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Bureau of Securities Compliance and Examinations ("Bureau"), has conducted an investigation of the securities activities of John G. Harris d/b/a Harris Financial Management ("Harris"). Based on the results of its investigation, the Bureau has concluded that the Harris has operated in violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101, et. seq. ("1972 Act"). Harris, in lieu of litigation, and without admitting or denying the allegations contained herein, and intending to be legally bound, hereby agrees to the entry of this Consent Agreement and Order ("CAO").

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the 1972 Act.
2. The Bureau is primarily responsible for administering and enforcing the 1972 Act for the Department.

3. Harris, CRD #114627, was, at all times material herein, an individual with an address at Redacted

4. From on or about August 1, 1996 through the present, Harris has been registered in Pennsylvania as an investment adviser pursuant to Section 301(c) of the 1972 Act, 70 P.S. § 1-301(c).

### **FACTUAL ALLEGATIONS**

5. From on or about October 2013 through November 2017, Harris offered and sold securities issued by affiliates of Woodbridge Structured Funding, LLC (“WSF”) to Pennsylvania residents.

6. Harris received compensation from WSF for the sale of securities issued by affiliates of WSF.

7. Harris was neither registered as an “agent” pursuant to Section 301(a) of the 1972 Act, 70 P.S. § 1-301(a), nor exempt from registration.

### **VIOLATION**

8. By engaging in the acts and conduct set forth in paragraph 5 through 7 above, Harris effected transactions in securities in Pennsylvania while neither registered nor exempt from registration an “agent” in wilful of Section 301(a) of the 1972 Act, 70 P.S. § 1-301(a).

### **RELIEF**

9. Harris shall pay the Department an administrative assessment in the amount of \$100,000. Payment shall be made by certified check or money order that is made payable to the Department of Banking and Securities and shall be mailed or delivered, in person, to the Bureau

of Securities Compliance and Examinations located at 17 N. Second Street, Suite 1300, Harrisburg, PA 17101. The assessment shall be paid as follows:

- a. \$10,000 to be paid upon on or before May 25, 2018;
- b. \$11,250 to be paid on or before August 25, 2018;
- c. \$11,250 to be paid on or before November 25, 2018;
- d. \$11,250 to be paid on or before February 25, 2019;
- e. \$11,250 to be paid on or before May 25, 2019;
- f. \$11,250 to be paid on or before August 25, 2019;
- g. \$11,250 to be paid on or before November 25, 2019;
- h. \$11,250 to be paid on or before February 25, 2020; and
- i. \$11,250 to be paid on or before May 25, 2020.

10. This Order is not intended to indicate that Harris or any of his affiliates or current or former employees should be subject to any disqualification contained in the federal securities laws, the rules and regulations thereunder; the rules and regulations of self-regulatory organizations or various states' securities law, including the provisions of the 1972 Act and regulations promulgated thereunder; and any disqualification from relying upon the registration exemptions or safe harbor provisions, and this Order is not intended to form the basis of any such disqualification.

11. Harris is ORDERED to comply with the 1972 Act and Regulations adopted by the Department, and in particular Section 301(a) of the 1972 Act, 70 P.S. § 1-301(a), et. seq.

12. Should Harris fail to pay the assessment as set forth in paragraph 9 above, the sanctions set forth elsewhere in the Order shall continue in full force and effect until payment is

made. However, this provision shall not be construed as affording Harris the option of either paying the assessment or being indefinitely subject to the sanctions.

13. Should Harris fail to comply with any or all provisions of this Order, the Department may impose additional sanctions and costs and seek other appropriate relief subject to the right to a hearing pursuant to the 1972 Act.

### **FURTHER PROVISIONS**

14. Consent. Harris hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's authority under the 1972 Act and agrees he understands all of the terms and conditions contained herein. Harris, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

15. Entire Agreement. This Order contains the entire agreement between the Department and Harris. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Department and Harris.

16. Binding Nature. The Department, Harris, and all officers, owners, directors, employees, heirs and assigns of Harris intend to be and are legally bound by the terms of this Order.

17. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

18. Effectiveness. Harris hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order ("Effective Date").

19. Other Enforcement Action.

- a. The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against Harris in the future regarding all matters not resolved by this Order.
- b. Harris acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.
- c. Harris acknowledges and agrees that this Order does not preclude any other agency from instituting administrative, civil or criminal proceedings that may be related to matters addressed by this Order.

20. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

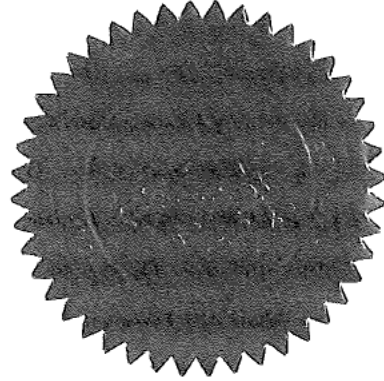
21. Counterparts. This Order may be executed in separate counterparts, by facsimile and by PDF.

22. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

23. Finding. The Department finds that it is necessary and appropriate in the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue this Order.

**WHEREFORE**, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities Compliance and Examinations and John G. Harris d/b/a Harris Financial Management, intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES,  
BUREAU OF SECURITIES  
COMPLIANCE AND EXAMINATIONS**



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Joseph J. Minisi,  
Deputy Secretary of Securities  
Date: 5/16/18

**JOHN G. HARRIS D/B/A HARRIS  
FINANCIAL MANAGEMENT**

Redacted  
*[Signature]*  
(Signature) D/B/A Harris Financial Management

John G. Harris  
(Print Name)

Chief Financial Officer  
(Title)

Date: 05/23/2018