

**COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE SECRETARY OF THE COMMONWEALTH
SECURITIES DIVISION
ONE ASHBURTON PLACE, ROOM 1701
BOSTON, MASSACHUSETTS 02108**

IN THE MATTER OF:)	
)	
JOSE ENCARNACION)	
AND TRINITY ESTATE INVESTMENTS &)	
DEVELOPMENT LLC,)	
)	
RESPONDENTS.)	Docket No. E-2025-0187
)	

ADMINISTRATIVE COMPLAINT

I. PRELIMINARY STATEMENT

The Enforcement Section of the Securities Division of the Office of the Secretary of the Commonwealth of Massachusetts (the “Division”) files this administrative complaint (the “Complaint”) to commence an adjudicatory proceeding against Jose Encarnacion (“Encarnacion”) and Trinity Estate Investments and Development LLC d/b/a Trinity Real Estate Investment Group (“Trinity Investments”) (collectively “Respondents”) for violations of the Massachusetts Uniform Securities Act, M.G.L. c. 110A (the “Act”), and the regulations promulgated thereunder at 950 CMR 10.00-14.413 (the “Regulations”). The Division alleges that Respondents engaged in acts and practices in violation of Sections 101, 201, and 301 of the Act by fraudulently misrepresenting the purpose and use of unregistered and non-exempt securities offered from and sold in Massachusetts.

The Division seeks an order: (1) finding as fact all allegations set forth in Sections IV through VI of this Complaint; (2) concluding that Respondents violated the Act and the Regulations as alleged in Section VII of this Complaint; (3) finding that all of the sanctions

and remedies detailed herein are necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act; (4) requiring Respondents to permanently cease and desist from further acts and practices in violation of the Act and Regulations; (5) imposing an administrative fine on Respondents in such amount and upon such terms and conditions as the Director or Presiding Officer may determine; (6) requiring Respondents to provide a verified accounting of the use of all funds received from investors; (7) requiring Respondents to make rescission offers, including interest, to all investors in connection with the wrongdoing; (8) censuring Respondents; (9) permanently barring Respondents from registering in Massachusetts as, associating or affiliating with, or acting as a(n) broker-dealer, broker-dealer agent, investment adviser, investment adviser representative, Securities and Exchange Commission-registered investment adviser, an investment adviser exempted from registration, a person relying on an exclusion from the definition of investment adviser or broker-dealer in any capacity, issuer, issuer-agent, or as a partner, officer, director, or control person of any of the foregoing; (10) permanently barring Respondents from offering or selling securities from or within Massachusetts, and to persons in Massachusetts; and (11) taking any such further actions that may be necessary or appropriate in the public interest or for the protection of investors.

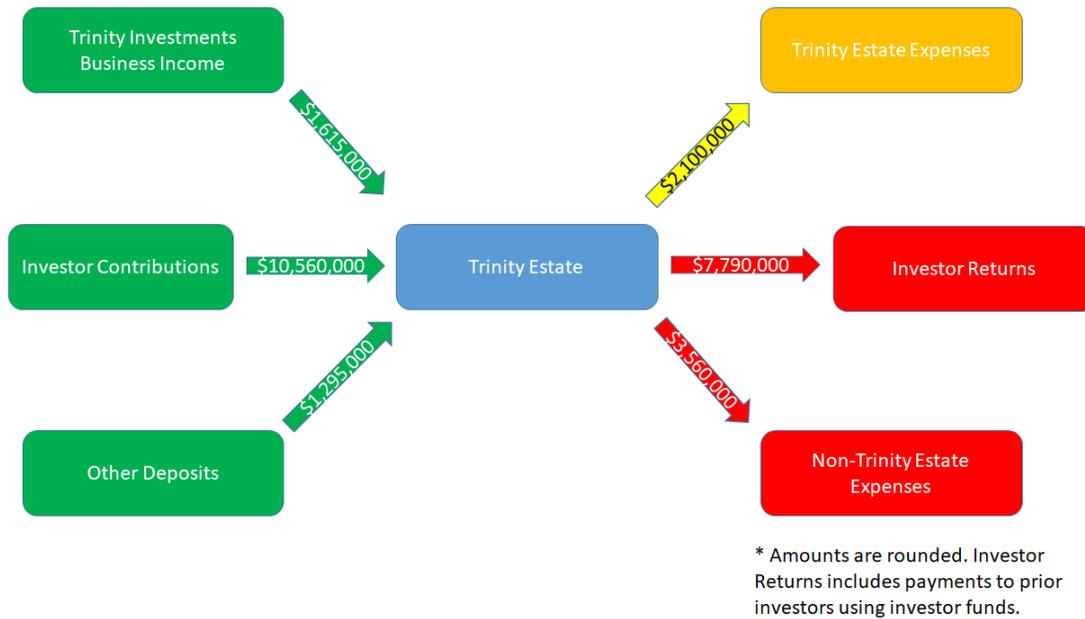
II. SUMMARY

On March 14, 2020, Encarnacion formed Trinity Investments, a Massachusetts limited liability company, to purchase, sell, and develop real estate. Beginning in June 2020, Encarnacion, through Trinity Investments, solicited investments both nationwide and internationally. Encarnacion raised funds primarily from immigrant communities, a

substantial portion coming from the Central African community. While soliciting investments, Encarnacion leveraged his position as Senior Pastor of Iglesia Cristiana De La Comunidad in Worcester, a church he operates, to raise funds.

Encarnacion told investors that the funds the invested would be used to develop and renovate real estate already owned by Trinity Investments. Encarnacion told investors that, through Trinity Investments, he would generate revenue from rental income or the sale of properties, and that he would use this revenue to pay interest and return principal to investors. Respondents raised approximately \$10 million from investors since 2020—including over \$2 million from Massachusetts investors alone.

In reality, Encarnacion used only a portion of the funds he raised to develop or renovate properties. Instead, while Trinity Investments fell further and further behind on the interest it owed to investors, Encarnacion continued to reach out to new investors. In doing so, Encarnacion took advantage of a network of affiliated religious institutions using his reputation as a pastor in an attempt to attract new investments. Throughout the scheme, Encarnacion used new investor's funds to pay earlier investors, pay for personal travel both domestically and internationally, and spent funds on personal expenses including buying jewelry and attending concerts.



For example, in June 2022, Encarnacion represented to one investor that Trinity Investments would use their funds to renovate a property in Southbridge, Massachusetts, and they invested \$60,000. In June 2023 Trinity Investments sold the Southbridge property for \$220,000, receiving proceeds of \$95,047.61. Encarnacion did not repay the investor from the proceeds of the home renovation project. Instead Encarnacion paid those funds to prior investors, made payments on mortgages for other properties, and paid personal expenses.

Neither Trinity Investments nor Encarnacion took any steps to register themselves as broker-dealers, broker-dealer agents, investment advisers, investment adviser representatives, or issuer agents in Massachusetts or elsewhere. Furthermore, Respondents did not register the promissory notes, or seek an exemption from registering their notes.

The Enforcement Section files this Complaint to prevent Respondents from continuing their fraud at the expense of investors, and to seek the return of any recoverable assets to defrauded investors.

III. JURISDICTION AND AUTHORITY

1. The Division has jurisdiction over matters relating to securities pursuant to the Act and Regulations.
2. The Division brings this action pursuant to the authority granted by Sections 407A, 412, and 414 of the Act, wherein the Division has the authority to conduct an adjudicatory proceeding to enforce the provisions of the Act and the Regulations.
3. The Division files this Complaint in accordance with Section 10.06 of the Regulations.
4. The Division's investigation is current and ongoing and may result in the filing of additional administrative complaints.

IV. RELEVANT TIME PERIOD

5. Except as otherwise expressly stated, the acts and practices described herein occurred during the approximate time period of June 1, 2020, to the date of this Complaint (the "Relevant Time Period").

V. RESPONDENTS

6. Trinity Estate Investments & Development, LLC d/b/a Trinity Real Estate Investment Group ("Trinity Investments") is a limited liability company organized under the laws of Massachusetts with a principal place of business at 108 Beacon Street, Worcester, Massachusetts.

7. Jose Antonio Encarnacion (“Encarnacion”) is an individual with a last known address in Worcester, Massachusetts. Until 2024, Encarnacion served as the sole manager of Trinity Investments. Encarnacion has never been registered in any capacity in the securities industry in Massachusetts.

VI. STATEMENT OF FACTS

A. Encarnacion Formed Trinity Investments in Massachusetts to Conduct Real Estate Business

8. Encarnacion filed a Certificate of Organization with the Secretary of the Commonwealth, Corporations Division for Trinity Investments on March 14, 2020.

9. According to Trinity Investment’s Certificate of Organization, Encarnacion formed Trinity Investments to purchase, sell, and develop real estate.

10. Until 2024, Encarnacion served as the sole manager of Trinity Investments.

11. Encarnacion acted as the general contractor on Trinity Investments’ real estate development and renovation projects.

12. Encarnacion used his personal network to arrange for subcontractors to perform development and renovation work.

B. Encarnacion Operated Trinity Investments From the Church Where He Served As Pastor

13. Iglesia Cristiana De La Comunidad (“Iglesia”) was formed as a religious corporation in Massachusetts in 1996.

14. Beginning on or about May 7, 2013 Encarnacion became President of Iglesia.

15. Beginning on or about May 17, 2013, Iglesia operated out of 108 Beacon Street, Worcester, Massachusetts (the “Church Property”). Encarnacion conducted Trinity Investments’ business from the Church Property.

16. Between 2011 and 2023, Encarnacion was the sole pastor of Iglesia.

17. Currently, Encarnacion and his wife serve as co-pastors of Iglesia.

C. Shortly after the Formation of Trinity Investments, Encarnacion Fraudulently Solicited Investments to Develop and Renovate Real Estate

18. Beginning on or about June 2020, Encarnacion, as manager of Trinity Investments, began soliciting investments.

19. Trinity Investments, with Encarnacion as its manager, raised funds through the issuance of promissory notes titled “Investment Verification Contracts” (the “Notes”).

20. The Notes “certified” that the investor had invested a sum of money in a specific real estate project, and that, upon completion of the “project” the investor would be repaid their initial investment plus interest—in some instances with interest as high as 60%.

21. According to the terms of the Notes issued by Trinity Investments and sold by Encarnacion, interest was not annualized, but rather was to be paid in a single payment at maturity, regardless of the duration of the underlying contract.

22. Encarnacion, as manager of Trinity Investments, represented to investors that their funds would be used to fund development and renovation of properties already owned by Trinity Investments.

23. During the Relevant Time Period, Trinity Investments raised more than \$10 million from at least 200 investors across the United States.

24. Trinity Investments raised at least \$2.3 million from at least 50 Massachusetts investors.

25. In addition at least two investors outside of the United States, invested an additional \$26,000.

D. Encarnacion Primarily Obtained Investments from Immigrant Communities with Ties to Iglesia

26. Investors primarily came from the Central African community residing in the United States.
27. Investors primarily came from a network of churches affiliated with Iglesia.
28. Encarnacion took advantage of his position of trust as pastor while soliciting investments.
29. According to the Notes issued by Trinity Investments, Encarnacion directed any questions to his church e-mail address.
30. Encarnacion signed the Notes as Reverend Jose Encarnacion.

E. Trinity Investments and Encarnacion Falsely Represented the Use of Investors' Funds

31. Instead of using investor funds to develop and renovate properties owned by Trinity Investments, Encarnacion fraudulently used funds received from investors to:
 - a. pay personal expenses;
 - b. purchase the right to renovate properties and receive a share of the profits from the property's sale;
 - c. acquire the Church Property and make mortgage payments on the Church Property;
 - d. make payments to prior investors; and
 - e. make mortgage payments on property owned by Trinity Investments.

a. Encarnacion Immediately Began to Fraudulently Use Investor Funds for Personal Expenses, Including Travel Unrelated to the Business of Trinity Investments
32. Encarnacion used Trinity Investments funds to travel extensively.

33. Encarnacion spent more than \$200,000 of Trinity Investments' funds on airline tickets and airport parking.
34. Encarnacion spent more than \$60,000 of Trinity Investments' funds on hotels and short-term rentals.
35. Encarnacion spent nearly \$30,000 on rental cars.
36. Encarnacion spent more than \$40,000 of Trinity Investments' funds on personal expenses while travelling.

i. Domestic Travel

37. On June 10, 2020, Trinity Investments received its first investment, totaling \$7,000 from a Florida investor ("Investor One").
38. Encarnacion deposited Investor One's investment into Trinity Investment's sole bank account, ending in 9919 (the "Trinity Bank Account").
39. Encarnacion was, until July 2, 2022, the sole individual with access to and control of the Trinity Bank Account.
40. Like all investors in Trinity Investments, Encarnacion told Investor One their funds would be used to renovate property already owned by Trinity Investments.
41. Prior to this investment, the balance of the Trinity Bank Account was \$73.26.
42. On June 15, 2020, Trinity Investments received another investment, \$10,000, from a New York investor ("Investor Two").
43. Encarnacion commingled Investor Two's investment, as well as all subsequent investments, in the Trinity Bank Account.
44. Like all investors in Trinity Investments, Encarnacion told Investor Two their funds would be used to renovate property already owned by Trinity Investments.

45. Over time, Investor Two and their family invested more than \$200,000 with Trinity Investments.

46. On June 22, 2020 Encarnacion spent \$446.09 of investor funds on travel, including airfare, a rental car, and an out-of-state hotel room.

47. On the same day, with no intermediate deposits, Encarnacion spent a further \$602.54 on airfare.¹

48. Upon information and belief, the purchase of airfare was unrelated to the business of Trinity Investments.

49. Encarnacion, as manager of Trinity Investments, is the owner of record of only properties located in Western Massachusetts, primarily in Worcester.

50. Trinity Investments is the owner of record of only properties located in Massachusetts.

51. Encarnacion never represented to any investor that he would use their funds to purchase, develop, or renovate any property outside Massachusetts.

52. Upon information and belief, all travel expenses Encarnacion charged to the Trinity Bank Account were personal in nature.

ii. International Travel

1. Iceland

53. In June 2021, Encarnacion spent more than \$4,000 on airfare, hotels, and tours traveling to Iceland.

54. Trinity Investments had no business in Iceland, and Encarnacion's trip was a personal expense.

¹ In addition to the expenses detailed in this section, Encarnacion also withdrew \$8,000 in cash from the Trinity Bank Account on June 15, 2020.

2. Egypt

55. In July 2021, Encarnacion spent more than \$8,000 of Trinity Investments' money traveling in Egypt, including more than \$5,000 on jewelry, and more than \$1,000 on a guided tour of the Luxor temple.

56. Trinity Investments had no business in Egypt, and Encarnacion's trip was a personal expense.

3. Peru

57. In July 2022, Encarnacion spent more than \$1,100 travelling to Lima, Peru.

58. Trinity Investments had no business in Peru, and Encarnacion's trip was a personal expense.

4. Guatemala

59. On April 3, 2023, Encarnacion spent approximately \$5,000 of Trinity Investments' funds to fly himself and family members to Guatemala City.

60. Once in Guatemala, Encarnacion used investor funds to attend a concert with his family.

61. Encarnacion has not refunded Trinity Investments for personal expenses charged to the business.

b. Encarnacion Fraudulently Used Investor Funds to Purchase the Right to Renovate Properties and Receive a Share of Profits on Property Sales

62. On July 31, 2020, the Trinity Bank Account had a negative balance.

63. On August 4, 2020, Trinity Investments received a wire transfer of \$20,000 from a company owned by Investor One.

64. Encarnacion again told Investor One their funds would be used to renovate property already owned by Trinity Investments.

65. After the August 4, 2020 wire transfer, the Trinity Bank Account balance was \$19,938.40.

66. On August 5, 2020, with no intermediate deposits, Encarnacion paid an individual from Sudbury, Massachusetts (the “Sudbury Resident”) \$16,750 to rehabilitate property owned by the Sudbury Resident and share in any profits generated on the sale of the properties after rehabilitations.

c. Encarnacion Fraudulently Used Investor Funds to Acquire and Refinance the Church Property

67. In July 2021, after Iglesia began to experience financial difficulties, Trinity Investments acquired the Church Property, funded by a loan from a Rhode Island mortgage company (the “RI Mortgagor”).

68. On July 14, 2021, Trinity Investments’ sole bank account, ending in 9919 (the “Trinity Bank Account”) had a balance of \$151,736.38.

69. On July 15, 2021, an investor from Worcester, Massachusetts (“Investor Three”) wired \$20,000 into the Trinity Bank Account.

70. On July 16, 2021, a different investor from Worcester, Massachusetts (“Investor Four”) wired \$30,000 into the Trinity Bank Account.

71. On July 19, 2021, a third investor from Missouri (“Investor Five”) wired \$40,000 into the Trinity Bank Account.

72. On July 21, 2021, a fourth investor from Kentucky (“Investor Six”) wired \$12,000 into the Trinity Bank Account.

73. These were the only deposits of funds into the Trinity Bank Account between July 14 and July 22, 2021.

74. On July 22, 2021, Trinity Investments paid \$201,245.51 through two certified checks to the real estate law firm involved in the transfer of the Church Property to Trinity Investments (the “July 22nd Payment”).

75. Encarnacion used the funds received from July 15, 2021 through July 21, 2021, to make the July 22nd Payment in connection with the acquisition and refinance of the Church Property.

76. At no point did Encarnacion inform Investors Three through Six or any other investor that Encarnacion would use their funds to acquire and refinance the Church Property.

d. Encarnacion Fraudulently Made Mortgage Payments on the Church Property Using Investor Funds

77. On August 25, 2021, the Trinity Bank Account had a negative balance.

78. On August 26, 2021, Trinity Investments received deposits into the Trinity Bank Account totaling \$41,000 from Investor Two and a relative, as well as a \$500 deposit from Encarnacion’s personal bank account.

79. On August 27, 2021, Trinity Investments received deposits into the Trinity Bank Account totaling \$55,000 from two additional investors (“Investor Seven” and “Investor Eight”).

80. Encarnacion told these investors, like all investors in Trinity Investments, that their funds would be used to renovate property already owned by Trinity Investments.

81. On September 1, 2021, with no further deposits to the Trinity Bank Account, Trinity Investments paid \$4,940 to RI Mortgagor.

82. But for the investor funds, Trinity Investments would not have had sufficient funds to make the mortgage payment.

83. At no point did Encarnacion inform Investor Seven or Investor Eight or any other investor that Encarnacion would use their funds to make mortgage payments concerning the Church Property.

84. Trinity Investments made monthly payments of \$4,940 to RI Mortgagor, in some instances making a double payment later to make up for missing a month, through January 2023, and made one payment of \$5,187 in February 2023.

85. These payments totaled \$94,132, including a \$25 fee paid in March 2022.

86. During this time, Trinity Investments charged Iglesia approximately \$9,000 for use of the Church Property.

87. Trinity Investments subsidized the remaining \$85,132 paid to RI Mortgagor, using Investor Funds and other revenue owed to Trinity Investments' investors to enable Encarnacion to continue making mortgage payments concerning the Church Property.

e. Encarnacion Fraudulently Used Investor Funds to Make Payments to Prior Investors

i. In September 2020 Encarnacion Used Funds From Two Investors to Pay Purported Investment Returns to a Third Investor²

88. On September 14, 2020, the Trinity Bank Account had a balance of \$22.26.

89. The Trinity Bank Account received no deposits until September 24, 2020, when it received two deposits of \$3,000 each from an investor who is pastor at a Bermuda church.

90. The Trinity Bank Account received no further deposits until September 28, 2020, when it received \$10,000 from another investor.

² In addition to the expenses detailed in this section, Encarnacion also withdrew \$2,800 in cash on September 24, 2020.

91. On September 30, 2020³, Encarnacion, as manager of Trinity Investments, wired \$10,000 to an investor, representing purported profits generated by Trinity Investments' property renovations.

ii. Encarnacion Did Not Return the Proceeds of a Property Sale to the Investor Who Funded Its Renovation, Instead Paying Returns to Prior, Unrelated Investors.

92. In June 2022, Encarnacion represented to a resident of Appleton, Wisconsin ("Investor Nine") that Trinity Investments owned a property in Southbridge, Massachusetts (the "Southbridge Property"), and that Trinity Investments needed funds to renovate the property so it could be sold for a profit.

93. Investor Nine invested a total of \$60,000, including \$56,250 by wire on June 29, 2022.

94. Trinity Investments acquired the Southbridge Property on September 8, 2022, for \$96,500.

95. Also on September 8, 2022, Trinity Investments granted a mortgage secured by the Southbridge Property in exchange for the receipt of \$138,000 from a resident of Natick, Massachusetts.

96. On June 16, 2023, Trinity Investments sold the Southbridge Property for \$220,000, and received proceeds of \$95,047.61 on the sale.

97. Encarnacion did not return any of the proceeds of this sale to Investor Nine.

98. Instead Encarnacion used the proceeds to return funds to other investors, make mortgage payments, purchase airfare, rent cars, and pay personal expenses.

³ From September 28 through 30, 2020, Encarnacion spent \$228.00 on airfare, and \$792.11 on Airbnbs.

iii. In September 2022, Encarnacion Used Funds Invested by a Connecticut Resident to Pay Purported Returns to a Prior Investor

99. On September 14, 2022, the Trinity Bank Account had a balance of \$3,010.12.

100. The following day, on September 15, 2022, Trinity Investments received an investment of \$100,000 by wire into the Trinity Bank Account from a Connecticut resident.

101. Also on September 15, 2022, Encarnacion wired \$47,000 from the Trinity Bank Account, purporting to be profits generated by Trinity Investments, to a prior investor.

iv. In April 2023, Encarnacion Used Funds From Five Investors to Pay Purported Returns to Six Prior Investors

102. On March 30, 2023, the Trinity Bank Account had a balance of \$509.54.

103. On March 31, 2023, Trinity Investments received four deposits from three investors into the Trinity Bank account, totaling \$120,000.

104. On April 3, 2023, Trinity Investments received a wire transfer in the amount of \$10,000 from an investor. Encarnacion also deposited \$500 cash into the Trinity Bank Account the same day.

105. Also on April 3, 2023, with no other intermediate deposits, Encarnacion wired \$52,250 from the Trinity Bank Account, purporting to be profits generated by Trinity Investments, to three prior investors.

106. On April 4, 2023, Trinity Investments received an investment of \$30,000 from an investor, made by wire into the Trinity Bank Account.

107. On April 5, 2023, Trinity Investments received \$3,000 from a tenant of a property Trinity Investments owns.

108. Also on April 5, 2023, Encarnacion wired \$47,900 from the Trinity Bank Account, purporting to be profits generated by Trinity Investments, to three prior investors.

v. In July 2023, Encarnacion Used Funds Invested by an Oklahoma Resident to Pay Purported Returns to a Prior Investor

109. On July 18, 2023, the starting balance of the Trinity Bank Account was \$4,231.75.

110. On July 18, 2023, the Trinity Bank Account received an investment of \$50,000 from a resident of Oklahoma.

111. On July 18, 2023, Encarnacion paid an approximately \$2,500 credit card bill, made an approximately \$7,000 mortgage payment, and wired \$20,000 from the Trinity Bank Account, purporting to be profits generated by Trinity Investments, to a prior investor.

vi. Encarnacion Used Funds Invested in a Specified Property to Pay Mortgages on Other Properties, Pay Prior Investors, and Make Cash Withdrawals

112. On July 19, 2023, Trinity Investments received a further investment of \$50,000 by wire transfer from a resident of Cranston, Rhode Island (“Investor Ten”).

113. Investor Ten’s wire indicated it was related to 302 Sumner Ave in Springfield, Massachusetts (“302 Sumner”).

114. Trinity Investments previously acquired 302 Sumner in June 2021 through an owner-financed arrangement⁴.

115. Also on July 19, 2023, Encarnacion wired \$8,500 from the Trinity Bank Account, purporting to be profits generated by Trinity Investments, to two prior investors.

116. On July 20, 2023, with no intermediate deposits, Trinity Investments made mortgage payments of approximately \$15,000, and Encarnacion withdrew \$8,500 in cash from the Trinity Bank Account.

⁴ In an owner financed deal, rather than purchasing the property from the owner and making mortgage payment to a bank, the purchaser makes monthly payments to the previous owner of the property.

117. None of the mortgage payments made on July 20, 2023, were made to the prior owners of 302 Sumner.

118. Trinity Investments next paid the prior owners on August 30, 2023.

119. On July 31, 2023, the Trinity Bank Account had a negative balance.

vii. Encarnacion Used Funds Invested by a Kentucky Resident to Pay Returns to a Prior Investor

120. On July 28, 2023, the Trinity Bank Account had a beginning balance of \$780.05.

121. Also on July 28, 2023, Trinity Investments received an investment by wire of \$18,000 into the Trinity Bank Account from a resident of Louisville, Kentucky, and wired \$15,000, purporting to be profits generated by Trinity Investments to Investor Three.

viii. In March 2024, Encarnacion Used Funds Invested by a Resident of Worcester, Massachusetts, and Two Others, to Pay Purported Returns to Prior Investors

122. On March 6, 2024, the Trinity Bank Account had a balance of \$4,773.20.

123. On March 8, 2024, Trinity Investments received an investment of \$20,000 from a resident of Worcester, Massachusetts, deposited into the Trinity Bank Account.

124. Also on March 8, 2024, Trinity Investments received investments from two other individuals, totaling \$47,000, by wire into the Trinity Bank Account.

125. On March 11, 2024, Trinity Investments received an investment of \$20,000 by wire from another investor, and Encarnacion wired \$25,500 from the Trinity Bank Account, purporting to be profits generated by Trinity Investments, to a prior investor.

126. On March 12, 2024, Trinity Investments received three investments totaling \$30,000 from two individuals by wire, and Encarnacion wired a total of \$59,000 from the Trinity Bank Account, purporting to be profits generated by Trinity Investments, to five prior investors.

ix. In September 2024, Encarnacion Used Funds Invested by Two Individuals to Pay Purported Returns to Three Prior Investors

127. On September 6, 2024, the Trinity Bank Account had a negative beginning balance.

128. Also on September 6, 2024, Trinity Investments received two investments totaling \$45,750 by wire from Investor Ten and another investor, and Encarnacion made payments totaling \$31,000 from the Trinity Bank Account, purporting to be profits generated by Trinity Investments, to Investor Two's relative and two other investors.

F. Neither Trinity Investments Nor Encarnacion Has Ever Registered Themselves or Their Notes in Massachusetts

129. Encarnacion has never been registered in any capacity in the securities industry in Massachusetts.

130. Trinity Investments has never registered its Notes with the Division.

131. Encarnacion has never registered Trinity Investments' Notes with the Division.

132. Trinity Investments has never registered with the Division as an issuer agent.

133. Encarnacion has never registered with the Division as an issuer agent.

134. Trinity Investments has never taken any steps to determine whether an exemption from registering the Notes under the Act exists.

135. Encarnacion has never taken any steps to determine whether an exemption from registering Trinity Investments' Notes under the Act exists.

VII. VIOLATIONS OF LAW

Count I - Violations of M.G.L. c. 110A, § 101

136. Section 101 of the Act provides:

It is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly

(1) to employ any device, scheme, or artifice to defraud,

(2) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or

(3) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

M.G.L. c. 110A, § 101

137. The Division restates and incorporates the factual allegations set forth in Sections IV through VI above.

138. Respondents' acts and practices, as described above, constitute violations of M.G.L. c. 110A, § 101.

Count II – Violations of M.G.L. c. 110A, § 201

139. Section 201 of the Act provides in relevant part:

(a) It is unlawful for any person to transact business in this commonwealth as a broker-dealer or agent unless he is registered under this chapter.

(b) It is unlawful for any broker-dealer or issuer to employ an agent unless the agent is registered. The registration of an agent is not effective during any period when he is not associated with a particular broker-dealer registered under this chapter or a particular issuer. When an agent begins or terminates a connection with a broker-dealer or issuer, or begins or terminates those activities which make him an agent, the agent as well as the broker-dealer or issuer shall promptly notify the secretary.

M.G.L. c. 110A, § 201.

140. The Division restates and incorporates the factual allegations set forth in Sections IV through VI above.

141. Respondents' acts and practices, as described above, constitute violations of M.G.L. c. 110A, § 201.

Count III – Violations of M.G.L. c. 110A, § 301

142. Section 301 of the Act provides:

It is unlawful for any person to offer or sell any security in the commonwealth unless:--

- (1) the security is registered under this chapter;
- (2) the security or transaction is exempted under section 402; or
- (3) the security is a federal covered security.

M.G.L. c. 110A, § 301.

143. The Division restates and incorporates the factual allegations set forth in Sections IV through VI above.

144. Respondents' acts and practices, as described above, constitute violations of M.G.L. c. 110A, § 301.

VIII. STATUTORY BASIS FOR RELIEF

Section 407A of the Act provides, in pertinent part:

(a) If the secretary determines, after notice and opportunity for hearing, that any person has engaged in or is about to engage in any act or practice constituting a violation of any provision of this chapter or any rule or order issued thereunder, he may order such person to cease and desist from such unlawful act or practice and may take such affirmative action, including the imposition of an administrative fine, the issuance of an order for an accounting, disgorgement or rescission or any other such relief as in his judgment may be necessary to carry out the purposes of [the Act].

M.G.L. c. 110A, § 407A.

IX. PUBLIC INTEREST

For any and all of the reasons set forth above, the Division asserts that this “action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of [the Act].”

X. RELIEF REQUESTED

The Division requests that an order be entered:

- A. Finding as fact all allegations set forth in Sections IV through VI of the Complaint;
- B. Concluding that Respondents violated the Act and the Regulations as alleged in Section VII of this Complaint;
- C. Finding that all of the sanctions and remedies detailed herein are necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act;
- D. Requiring Respondents to permanently cease and desist from further acts and practices in violation of the Act and Regulations;
- E. Imposing administrative fines on Respondents in such amount and upon such terms and conditions as the Director or Presiding Officer may determine;
- F. Requiring Respondents to provide a verified accounting of the use of all funds received from investors;
- G. Requiring Respondents to make rescission offers, including interest, to all investors in connection with the wrongdoing;
- H. Censuring Respondent(s);
- I. Permanently barring Respondents from registering in Massachusetts as, associating or affiliating with, or acting as a(n) broker-dealer, broker-dealer agent, investment adviser, investment adviser representative, Securities and Exchange Commission-registered investment adviser, an investment adviser exempted from registration, a person relying on an exclusion from the definition of investment adviser or broker-

dealer in any capacity, issuer, issuer-agent, or as a partner, officer, director, or control person of any of the foregoing;

- J. Permanently barring Respondents from offering or selling securities from or within Massachusetts, and to persons in Massachusetts; and
- K. Taking any such further actions that may be necessary or appropriate in the public interest or for the protection of investors.

MASSACHUSETTS SECURITIES DIVISION

By and through its attorneys,



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Dated: February 11, 2026