

CONNECTICUT STATE ETHICS COMMISSION
20 TRINITY STREET
HARTFORD, CONNECTICUT 06106-1660

COMPLAINT

The State Ethics Commission issues a complaint alleging a violation of:

_____ The Code of Ethics for Public Officials and State
Employees, Chapter 10, Part I, General Statutes

 X The Code of Ethics for Lobbyists, Chapter 10, Part II,
General Statutes

Time and date matters complained of occurred:

Calendar years 1998 and 1999

Place violation occurred:

Hartford, CT

Persons involved:

Westport Senior Living Fund, L.P.

Witnesses:

List to be provided at least 10 days prior to any hearings on the merits
in this matter.

Circumstances which indicate that the Code of Ethics designated above was violated are
as follows (a short, plain statement alleging a violation of Chapter 10, General Statutes):

Please see attached.

(over)

C. Wassel-Nasto
Signature

2/7/01
Date

Complainant's Name and Address:

State Ethics Commission
20 Trinity Street
Hartford, CT 06106-1660

Complainant's Telephone Number:

(860) 566-4472



STATE OF CONNECTICUT

STATE ETHICS COMMISSION

CONFIDENTIAL

DOCKET NUMBER 2000-15
IN THE MATTER OF A
COMPLAINT AGAINST
WESTPORT SENIOR LIVING FUND, L.P.

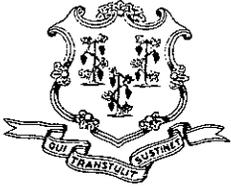
STATE ETHICS COMMISSION
20 TRINITY STREET
HARTFORD, CT 06106
FEBRUARY 7, 2001

COMPLAINT

1. From approximately April 1998 through 1999, the Respondent was a party to an agreement ("Agreement") with consultant Andrew Moses ("Moses").
2. Under the terms of the Agreement, the Respondent agreed to pay Moses a percentage of the management fees received as a result of capital contributions made by the Office of the Treasurer of the State of Connecticut into the Respondent's investment vehicles.
3. Pursuant to the Agreement, Moses contacted the Office of the Treasurer to solicit capital contributions for investment in one or more of the Respondent's funds (the "Funds").
4. The Office of the Treasurer invested in the Funds.
5. The Funds made payments pursuant to the agreement described in paragraphs 1-2, above.
6. Pursuant to Conn. Gen. Stat. §1-91(a), administrative action includes any action or non-action of any executive agency of the State regarding a contract of that agency.
7. Pursuant to Conn. Gen. Stat. §1-91(k), lobbying means communicating directly or soliciting others to communicate with any official or his staff in the executive branch of government for the purpose of influencing any administrative action.
8. Pursuant to Conn. Gen. Stat. §1-94(2), a lobbyist shall register with the State Ethics Commission if it makes or incurs an obligation to make expenditures of two thousand dollars or more in a calendar year for lobbying.

Phone: (860) 566-4472 Fax: (860) 566-3806
20 Trinity Street - Hartford, Connecticut 06106-1660
Website: <http://www.state.ct.us/eth>
An Equal Opportunity Employer

9. The agreement described in paragraphs 1-2, above, is an agreement to engage in administrative lobbying to maintain and/or enter into a new contract with the Office of the Treasurer.
10. The Respondent failed to register in calendar years 1998 and 1999.
11. Each failure to register is a violation of Conn. Gen. Stat. §1-94(2).
12. Pursuant to Conn. Gen. Stat. §1-96(a), a client lobbyist shall file periodic financial disclosure reports with the State Ethics Commission regarding its lobbying activities.
13. The Respondent failed to file the required financial disclosure reports in calendar years 1998 and 1999.
14. Each failure to file a required report is a violation of Conn. Gen. Stat. §1-96(a).
15. Pursuant to Conn. Gen. Stat. . §1-97(b), no person shall be employed as a lobbyist for compensation that is contingent upon the outcome of any administrative action.
16. The Respondent, by entering into the agreement described in paragraphs 1-2, above, entered into a contingent fee payment arrangement in violation of Conn. Gen. Stat. §1-97(b).
17. Each payment under the above-referenced agreement was a contingent fee payment in violation of Conn. Gen. Stat. §1-97(b).



STATE OF CONNECTICUT

STATE ETHICS COMMISSION

CONFIDENTIAL

DOCKET NUMBER 2000-15
IN THE MATTER OF A
COMPLAINT AGAINST
WESTPORT ADVISORS, LTD., *FORMERLY*
WESTPORT REALTY ADVISORS, LTD.

STATE ETHICS COMMISSION
20 TRINITY STREET
HARTFORD, CT 06106
APRIL 18, 2001

DRAFT STIPULATION AND ORDER

Pursuant to Connecticut General Statutes §4-177(c), the State Ethics Commission (hereafter the "Commission") and Respondent Westport Advisors, Ltd., *formerly* Westport Realty Advisors, Ltd. (hereafter the "Respondent"), agree to settle this matter in the manner described below:

1. The Commission finds that the Respondent violated the Code of Ethics for Lobbyists (the "Code") as alleged in the Amended Complaint filed against the Respondent dated April 18, 2001 ("the Complaint"), but that the violation was unintentional and unknowing. This finding is based solely on the Commission's staff investigation into this matter. More specifically, the Commission finds that the Respondent unknowingly and unintentionally:

failed to register as a lobbyist in calendar years 1998 and 1999;

failed to file the required financial disclosure reports in calendar years 1998 and 1999; and

entered into a contingent fee payment arrangement with the Consultant described in paragraph 2 of the Complaint in violation of Conn. Gen. Stat. §1-97(b).

2. The Respondent enters into this Stipulation and Order without admitting that it has violated any law, or otherwise committed any improper act. The Respondent indicates that this Stipulation and Order is entered into for the sole purpose of resolving the expense, notoriety and uncertainty of litigation. This Stipulation and Order is not to be construed by any party as an admission of guilt, liability or wrongdoing on the part of the Respondent.

3. The Respondent waives any rights it may have under Conn. Gen. Stat. §§1-93, 1-93a, 1-98, 1-80 and 4-183(f), including the right to a hearing or appeal in this case, and agrees with the Commission to an informal disposition of this matter as authorized by Conn. Gen. Stat. §4-177(c).

4. This Stipulation and Order concludes the Commission's investigation into the conduct of the Respondent and Westport Senior Living Fund, L.P., the fund described in the Amended Complaint that received the capital contributions from the Office of the Treasurer (the "Fund"), including the investigation referenced in a letter from the Commission to the Fund, dated November 2, 1999, and constitutes the final penalties against the Respondent and the Fund.

WHEREFORE, the State Ethics Commission enters, and the Respondent agrees to, the following orders in lieu of any other action that the State Ethics Commission is authorized to take with regard to this Complaint:

1. The Respondent agrees to file the required financial disclosure forms for calendar years 1998 and 1999 within sixty days of the date the Respondent executes this Stipulation and Order (the "Stipulation").

2. The Respondent agrees to pay a civil penalty of \$2,000 to the State Ethics Commission within thirty days of the signing of this Stipulation by the Respondent.

3. The Respondent will cease and desist making any future contingency payments to the Consultants.

4. The Respondent agrees to deposit, within thirty days of the date the Respondent executes this Stipulation, the amount of \$437,500 into an interest-bearing account (the "Account"), which amount represents the remaining amount due to the Consultant and/or its Principal under the Agreement described in the Complaint. This amount plus interest shall be transferred to the Connecticut Retirements Plans and Trust Funds ("CRPTF") within thirty days of the earliest occurrence of the following:

- a. the issuance of a release by the Consultant and/or its Principal to the Respondent for the \$437,500 amount that would have been due pursuant to the Agreement but for its illegality;
- b. the entry of a final, non-appealable order or judgment in resolution of any related litigation with the Consultant and/or its Principal in favor of the Respondent or Fund; or

- c. the applicable statute of limitations and/or appeal periods pursuant to which the Consultant and/or its Principal may sue for recovery of such amount has/have expired.

In the event there is an entry of a final order or judgment in resolution of any related litigation with the Consultant and/or its Principal that is adverse to the Respondent and/or the Fund, then the Respondent and/or the Fund shall recover from the Account an amount to satisfy the adverse determination. Any balance left remaining in the Account shall be remitted to the CRPTF.

5. The Respondent and the Fund agree that, in the event they obtain any recovery of fees already paid to Consultant and/or its Principal, that said amounts shall be remitted to the CRPTF within thirty days of said recovery.

6. The Respondent and the Fund have fully cooperated in the investigation and resolution of this matter and agree to fully cooperate in any further Commission enforcement proceedings.

7. The Respondent will henceforth comply with the Code of Ethics for Lobbyists.


Chairperson, State Ethics Commission

20 APR 01
Date


Respondent
Lawrence Landry, President
Westport Advisors Ltd.

4/18/01
Date