

**BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES**

In the Matter of

**CONSENT ORDER TO CEASE
AND DESIST**

**JASON J. ELLINGSON and
ELM CAPITAL PARTNERS, LLC
(f/k/a JASA International, LLC),**

Respondents.

DFI File No. S-230964 (EX)

I.

The Administrator of the State of Wisconsin, Department of Financial Institutions, Division of Securities (“Division”), having legal authority and jurisdiction to administer and enforce Wis. Stat. Ch. 551, the Wisconsin Uniform Securities Law (“Ch. 551”), and rules and orders promulgated thereunder, deems it necessary and appropriate in the public interest and for the protection of investors, to issue the following Order directing the Respondents to immediately cease and desist from violating Ch. 551:

II.

Based upon the consent of the Respondents and the evidence obtained by Division staff, there are sufficient grounds to support the following findings of fact and conclusions of law:

A. Findings of Fact

Respondents

1. Jason James Ellingson (CRD# 5687929) (“Ellingson”) is an adult male resident of Wisconsin, with a last known business address of 221 S. Main Street, P.O. Box 607, Luck, Wisconsin 54853. Ellingson was registered as a broker-dealer agent of NYLife Securities, LLC (CRD# 5167) (“NYLife”) on July 28, 2010 and as an investment adviser representative of Eagle Strategies, LLC (CRD# 110826) (“Eagle”) on April 23, 2014. On August 31, 2016, Ellingson resigned his employment at NYLife and Eagle.
2. JASA International, LLC (“JASA”) was a limited liability company organized in the State of Minnesota in April 2003 to function as a commodities trading advisory and investment management firm. Ellingson changed the name to Elm Capital Partners, LLC in June 2006. At all times material, Ellingson was the sole member of the company. The company will be referenced throughout this order as “JASA” hereinafter.

Conduct

3. From in or around 2000 until in or around 2003, Ellingson solicited loans from several individuals residing in Wisconsin to help him start JASA, to help him establish a trading record with JASA, and to pay for his living expenses until JASA became profitable.
4. Ellingson executed promissory notes with the individuals who lent him money, promising to pay back the loans plus an interest amount defined in the notes. In soliciting some of these funds, Ellingson did not tell the individuals that he had failed to repay others who had lent him money to support JASA as agreed to under the terms of their respective promissory notes.
5. Ultimately, JASA was not successful and, in 2007, Ellingson filed for bankruptcy. In the course of the bankruptcy proceedings, the debts that Ellingson incurred through soliciting funds to help with JASA were discharged.

B. Conclusions of Law

Legal Jurisdiction and Authority

6. The Administrator has legal authority and jurisdiction over the conduct described above, pursuant to Ch. 551, and the rules and orders promulgated thereunder.
7. The promissory notes offered by Ellingson were securities as defined by Wis. Stat. § 551.02(13) (2005-06).
8. Pursuant to Wis. Stat. § 551.41(2) (2006-06), it is unlawful for a person to, in connection with the offer, sale, or purchase of any security in Wisconsin, directly or indirectly 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.

Violations

9. As described above, Ellingson violated Wis. Stat. § 551.41(2) (2005-06) when, in connection with the offer and sale of securities to persons in Wisconsin, he omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

III.

In view of the above findings of fact and conclusions of law, the Administrator deems it necessary and appropriate in the public interest and for the protection of investors, and pursuant to its legal authority and jurisdiction under Ch. 551, to wit Wis. Stats. § 551.63 (2005-06), to issue the following orders and notices:

A. Consent orders issued pursuant to Wis. Stat. § 551.63 (2005-06),

- (a.) IT IS ORDERED that RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of any RESPONDENT, shall cease and desist from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551 or successor statute.
- (b.) IT IS FURTHERED ORDERED that all exemptions from registration set forth at Ch. 551 or successor statute that might otherwise apply to any offer or sale of any security of or by any of the RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of any RESPONDENT, are hereby revoked.
- (c.) IT IS FURTHERED ORDERED that RESPONDENTS, their successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on behalf of either RESPONDENT, are prohibited from violating Ch. 551 or successor statute that might otherwise apply to any offer or sale of a security of or by RESPONDENTS.

B. Service of Order

- (a.) IT IS ORDERED that this order shall be sent promptly by certified mail to each party named in the order at his or her last known address or to the party's attorney of record, or shall be personally served upon the party or the party's attorney of record, pursuant to Wis. Admin. Code § DFI-Sec 8.06.
- (b.) PLEASE TAKE NOTICE that the date of the service of this order is the date it is placed in the mail.

C. Notifications

- (a.) PLEASE TAKE NOTICE that this Order is effective on the date it is issued. You are advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508(1).

EXECUTED at Madison, Wisconsin, this 14th day of November, 2016.

(SEAL)

Leslie M. Van Buskirk

Leslie Van Buskirk
Administrator – Division of Securities

State of Wisconsin
Department of Financial Institutions
201 West Washington Avenue, Suite 300
Madison, Wisconsin 53703

**BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES**

In the Matter of

WAIVER AND CONSENT TO ORDER

**JASON J. ELLINGSON and
ELM CAPITAL PARTNERS, LLC
f/k/a JASA INTERNATIONAL, LLC**

File No. S-230964 (EX)

Respondents.

The undersigned Respondent, Jason James Ellingson, having decided not to contest the issuance of the attached Order, hereby waives his right to a hearing with respect to this matter, and hereby consents to the issuance of the Order.

The undersigned Respondent understands that the Order, when signed by the Administrator of the Division of Securities, is effective as of the date issued and that a willful violation of an Order signed by the Administrator is a criminal offense pursuant to Wis. Stat. § 551.508.


JASON JAMES ELLINGSON

State of Wisconsin)
County of Polk)
Subscribed before me this

10 day of November, 2016.

Annetta Williamson

Notary Public

My commission is permanent/expires 04-26-2020





State of Wisconsin
Department of Financial Institutions

Scott Walker, Governor

Lon E. Roberts, Secretary

AFFIDAVIT OF SERVICE

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, JAKI WELTER, first being duly sworn, depose and state:

1. I am employed as a state civil service employee with the State of Wisconsin, Department of Financial Institutions, Division of Securities.

2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be deposited in the U.S. mail: (1) the Administrator's order (attached); and (2) a copy of this Affidavit of Service, to be served by certified mail upon the subject of the order at the subject's last known address; and I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities, pursuant to Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07.

3. On the date of this Affidavit and in the course of regularly conducted activity, I have also caused a copy of the Administrator's order and this Affidavit of Service to be posted on the Division of Securities' Administrative Orders section of the State of Wisconsin, Department of Financial Institution's website, www.wdfi.org/newsroom/admin_orders/dos_default.htm.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Jaki Welter (handwritten signature)

JAKI WELTER

State of Wisconsin
Department of Financial Institutions
Division of Securities

Subscribed and sworn to before me
This 14 day of November, 2016.

Lindsay Fedler (handwritten signature)

(Notary Seal)

Lindsay Fedler
Notary Public, State of Wisconsin
My commission is permanent.

