

STATE OF MAINE  
OFFICE OF SECURITIES  
121 STATE HOUSE STATION  
AUGUSTA, MAINE 04333

\_\_\_\_\_) )  
IN THE MATTER OF: )  
 )  
Tesseract Partners, LLC )  
(CRD #111811) and )  
Dimitri N. Balatsos )  
(CRD #2114760) )  
\_\_\_\_\_) )

CONSENT AGREEMENT  
No. 04-026-CAG

This Agreement is entered into by the State of Maine Office of Securities ("Securities"), Tesseract Partners, LLC ("Tesseract"), CRD #111811, a limited liability investment adviser company incorporated pursuant to the laws of Maine with a principal place of business at 22 Woodlands Drive in Falmouth, Maine 04105, and Dimitri N. Balatsos ("Balatsos"), CRD# 2114760, an investment adviser representative affiliated with Tesseract.

**WHEREAS**, the parties agree as follows:

1. Pursuant to 32 M.R.S.A. § 10303(1), a person may not act in Maine as an investment adviser representative unless licensed or exempt from licensing under the Revised Maine Securities Act;
2. Pursuant to 32 M.R.S.A. § 10303(3) it is unlawful for an investment adviser licensed or required to be licensed under the Revised Maine Securities Act to employ or contract with an individual as a representative of the investment adviser in Maine unless the individual is licensed;
3. Securities has reviewed Balatsos' licensing record and has found that Balatsos has never held an investment adviser representative's license in Maine;
4. It is Securities' position that Balatsos has acted as an investment adviser representative in Maine without being licensed or exempt from licensing;

5. On September 18, 2003, Securities conducted an on-site examination of Tesseract and informed Balatsos that Balatsos had never filed with Securities an application for investment adviser representative licensure; and
6. All parties desire an expeditious resolution of this matter.

**NOW THEREFORE**, without trial or adjudication of any issue of fact or law, and without Tesseract and Balatsos admitting or denying that their conduct violated the Revised Maine Securities Act, it is agreed that:

Tesseract and Balatsos will comply with all licensing and other legal requirements governing persons acting as investment advisers and investment adviser representatives in the State of Maine at all times from the date hereof;

In lieu of Securities seeking the imposition of a penalty for the allegations contained herein, Tesseract and Balatsos will pay the sum of \$1,500.00 to Securities upon Tesseract's and Balatsos' execution of this Agreement; and

Securities will not take further action against Tesseract and Balatsos based upon the unlicensed status of Balatsos during the period preceding and including the date of execution of the Agreement.

Tesseract Partners LLC  
By:

October 6, 2003  
Date

/s/ Dimitri Balatsos  
Signature

Dimitri Balatsos  
(printed name)

Its President

October 6, 2003  
Date

/s/ Dimitri N. Balatsos  
Dimitri N. Balatsos

October 7, 2003  
Date

/s/ Christine A. Bruenn  
Christine A. Bruenn  
Securities Administrator

Reviewed by:

October 7, 2003  
Date

/s/ Christina V. Breen  
Christina V. Breen  
Assistant Securities Administrator

Submitted by:

October 7, 2003  
Date

/s/ Christian D. Van Dyck  
Christian D. Van Dyck  
Investigator/Examiner

