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9
10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
11 OF THE STATE OF CALIFORNIA

12 In the Matter of)
13 AARON HUGH BRAUN,) **CONSENT ORDER**
14 Respondent.) **BARRING AARON HUGH BRAUN**
15) **PURSUANT TO CORPORATIONS CODE**
16) **SECTION 25232.1**

17
18 Whereas, from on or about 2007 through 2011, Respondent Aaron Hugh Braun (“Aaron
19 Braun”) (CRD number 1621025) was the direct owner and sole managing member of WC Capital
20 Management, LLC (“WC Capital”) (CRD number 143141). WC Capital was a limited liability
21 company formed in California with a business address of 300 Drake Landing Road, Suite 230,
22 Greenbrae, California 94904. On November 9, 2007, WC Capital was certified with the Department
23 of Corporations (now the Department of Business Oversight and referred to hereafter as “the
24 Department”) as an Investment Adviser. On August 22, 2011, the Department revoked WC Capital’s
25 Investment Adviser certification, for failure to comply with regulations requiring annual updates of
26 the firm’s brochure. The brochure is the Investment Adviser’s primary disclosure document, and an
27 Investment Adviser is required to deliver annually to clients a summary of all material changes to the
28 brochure.

1 Whereas, the Department regulates investment advisers in California.

2 Whereas, for the purpose of settling the issues contained in this Order without further
3 litigation and without admitting or denying the findings herein, except as to the jurisdiction of the
4 Department of Business Oversight over him and the subject matter of these proceedings for the times
5 in question, which are admitted, Aaron Braun consents to the entry of this Consent Order made
6 pursuant to Corporations Code Sections 25232.1 and 25232, subdivision (b).

7 **I. JURISDICTION AND VENUE**

8 1. The Commissioner of the Department of Business Oversight (“Commissioner”) is
9 authorized to administer and enforce the provisions of the Corporate Securities Law of 1968,
10 Corporations Code section 25000 et seq. (“CSL”) and the regulations thereunder at title 10, California
11 Code of Regulations.

12 2. The Commissioner brings this action pursuant to the provisions of CSL sections
13 25232.1 and 25232, subdivision (b), and the rules and regulations promulgated thereunder.

14 **II. STATEMENT OF FACTS**

15 3. Aaron Braun admits to the jurisdiction of the Department in this matter.

16 4. Whereas, from 2007 until at least 2011, Respondent Aaron Hugh Braun (“Aaron
17 Braun”) (CRD number 1621025) was the direct owner and sole managing member of WC Capital
18 Management, LLC (“WC Capital”) (CRD number 143141). WC Capital was a limited liability
19 company formed in California with a business address of 300 Drake Landing Road, Suite 230,
20 Greenbrae, California 94904. On November 9, 2007, WC Capital was certified with the Department
21 of Corporations (now the Department of Business Oversight and referred to hereafter as “the
22 Department”) as an Investment Adviser.

23 5. On August 22, 2011, the Department revoked WC Capital’s Investment Adviser
24 certification, for failure to comply with regulations requiring annual updates of the firm’s brochure.
25 The brochure is the Investment Adviser’s primary disclosure document, and an Investment Adviser is
26 required to deliver annually to clients a summary of all material changes to the brochure.

27 6. On December 28, 2011, an investment adviser client of Aaron Braun and WC Capital,
28 Scott Delman (“Delman”) filed a Complaint, Civil Case No. CIV 1106302, in the Superior Court of

1 the State of California, County of Marin, against Aaron Braun, WC Capital, and Willow Creek
2 Capital Partners, L.P., that included causes of action for breach of fiduciary duty and “intentional
3 misrepresentation/fraud.” On or about March 29, 2012, a civil judgment was entered in that action by
4 agreement of the parties against Aaron Braun based on a “cause of action for intentional
5 misrepresentation in the amount of \$750,000.”

6 **III. ORDER BARRING AARON BRAUN FROM EMPLOYMENT IN THE SECURITIES**
7 **INDUSTRY IN CALIFORNIA**

8 7. The Commissioner finds that the entry of the civil judgment against Aaron Braun
9 based on a cause of action for intentional misrepresentation to his investment adviser client is a
10 violation of Corporations Code sections 25232, subdivision (b) and 25232.1.

11 8. CSL section 25232, subdivision (b) provides, in relevant part:

12 The commissioner may...by order censure, deny a certificate to... or revoke the
13 certificate of, an investment adviser, if the commissioner finds the censure, denial,
14 suspensions, or revocation is in the public interest and that the investment adviser, ... has
done any of the following:

15 (b) Has been... held liable in a civil action by final judgment of a court based on
16 conduct showing moral turpitude, and the commissioner finds that the ... civil action... arose
17 out of the conduct of the business of a broker-dealer or investment adviser....

18 9. CSL section 25232.1 provides, in relevant part:

19 The commissioner may...by order...bar from any position of employment,
20 management or control of any investment adviser, broker-dealer or commodity adviser,
21 any officer, director, partner, employee of, or person performing similar functions for, an
22 investment adviser, or any other person, if he or she finds that the censure, suspension or
23 bar is in the public interest and that the person has committed any act or omission
enumerated in subdivision (a), (e), (f), or (g) of Section 25232 or has been...held liable in
any civil action specified in subdivision (b) of Section 25232...

24 10. Pursuant to CSL sections 25232, subdivisions (a) and (b) and 25232.1, the
25 Commissioner hereby finds it is in the public interest to bar Aaron Hugh Braun from any position of
26 employment, management or control of any investment adviser, broker-dealer or commodity adviser
27 in the State of California pursuant to Corporations Code section 25232.1.

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1 This Order is necessary in the public interest, for the protection of investors, and consistent
2 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

3 Dated: May 15, 2015

JAN LYNN OWEN
Commissioner of Business Oversight

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6 By _____
7 MARY ANN SMITH
8 Deputy Commissioner
9 Enforcement Division
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CONSENT BY AARON HUGH BRAUN
TO ENTRY OF ORDER ISSUED BY THE DEPARTMENT OF BUSINESS OVERSIGHT

Respondent Aaron Hugh Braun (“Aaron Braun”) hereby acknowledges that he has been served with a copy of this Consent Order (“Order”), has read the foregoing Order, is aware of his right to a hearing and appeal in this matter, elects to permanently waive any right to a hearing and appeal including those under Corporations Code sections 25232, 25232.1 and 25233 and to judicial review of this matter pursuant to Code of Civil Procedure section 1094.5 with respect to the issuance of this Bar Order. However, nothing in this Consent Order or waiver precludes Aaron Braun’s ability to later petition the Commissioner under Corporations Code section 25214, subdivision (b) to be reinstated or to otherwise modify this Bar Order.

Aaron Braun admits the jurisdiction of the Department of Business Oversight (“Department”), and consents to entry of this Order by the Department as settlement of the issues contained in this Order.

Aaron Braun acknowledges that this Order will be a matter of public record.

Aaron Braun states that no promise of any kind or nature whatsoever was made to him to induce him to enter into this Order and that he has entered into this Order voluntarily.

Dated: May 14, 2015

By _____
Aaron Hugh Braun

SUBSCRIBED AND SWORN TO before me this 14th day of May, 2015.

ANNA RUTH HEMMERICH
Notary Public

My Commission expires: 8/1/2017