

1 MARY ANN SMITH  
Deputy Commissioner  
2 SEAN ROONEY  
Assistant Chief Counsel  
3 BLAINE A. NOBLETT (State Bar No. 235612)  
Senior Counsel  
4 Department of Business Oversight  
320 West 4th Street, Suite 750  
5 Los Angeles, California 90013-2344  
Telephone: (213) 576-1396  
6 Facsimile: (213) 576-7181

7 Attorneys for Complainant

8  
9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
10 OF THE STATE OF CALIFORNIA

11 In the Matter of: ) CRD No. 165694  
12 )  
13 THE COMMISSIONER OF BUSINESS ) ORDER TO DISCONTINUE VIOLATIONS  
OVERSIGHT, ) UNDER CORPORATIONS CODE SECTION  
14 ) 25249  
15 Complainant, )  
16 v. )  
17 )  
18 CONTINUUM FINANCIAL PARTNERS, )  
LLC, )  
19 )  
20 Respondent. )

21 TO: CONTINUUM FINANCIAL PARTNERS, LLC  
22 5170 Golden Foothill Parkway  
23 El Dorado Hills, California 95762

24 The Commissioner of Business Oversight (Commissioner) finds that Continuum Financial  
25 Partners, LLC (Continuum), violated the provisions of the Corporate Securities Law of 1968 (Corp.  
26 Code, § 25000 et seq.) (CSL) as follows:

27 1. At all relevant times herein, Continuum was an investment adviser licensed by  
28 the Commissioner under section 25230 of the CSL, since at least February 6, 2013. Continuum’s

1 principal place of business is located at 5170 Golden Foothill Parkway, El Dorado Hills, California.

2 2. Corporations Code section 25241 provides in relevant part:

3 (a) Every broker-dealer and every investment adviser licensed under  
4 Section 25230 shall make and keep accounts, correspondence,  
5 memorandums, papers, books, and other records and shall file financial  
6 and other reports as the commissioner by rule requires, subject to the  
7 limitations of Section 15(h) of the Securities Exchange Act of 1934  
8 with respect to broker-dealers and Section 222 of the Investment  
9 Advisers Act of 1940 with respect to investment advisers.

10 (b) All records so required shall be preserved for the time specified in  
11 the rule.

12 (c) All records referred to in this section are subject at any time and  
13 from time to time to reasonable periodic, special, or other examinations  
14 by the commissioner, within or without this state, as the commissioner  
15 deems necessary or appropriate in the public interest or for the  
16 protection of investors[.]

17 3. Title 10, section 260.241.3 of the California Code of Regulations (CCR) provides in  
18 relevant part:

19 (a) Every licensed investment adviser shall make and keep true,  
20 accurate and current the following books and records relating to such  
21 person's investment advisory business:

22 (9) All powers of attorney and other evidences of the granting of any  
23 discretionary authority by any client to the investment adviser, or  
24 copies thereof.

25 (10) All written agreements (or copies thereof) entered into by the  
26 investment adviser with any client or otherwise relating to the business  
27 of such investment adviser as such[.]

28 4. The Commissioner commenced a special examination of the licensee on or about May  
12, 2015. The Commissioner's audit staff requested Continuum provide it with copies of all signed  
investment advisory agreements, limited power of attorney forms (granting the investment adviser  
trading and fee disbursement authority), and any and all brokerage account applications for its  
clients' accounts, in addition to other books and records.

1           5.       While Continuum was able to provide the Commissioner’s audit staff with some of its  
2 clients’ signed investment advisory agreements and the brokerage account applications held with  
3 AssetMark, Inc., it failed to produce copies of client brokerage account applications held at Folio  
4 Institutional in violation of Corporations Code section 25241 and CCR 260.241.3, subdivisions (a)(9)  
5 and (10).

6           6.       On the basis of Continuum’s inability to provide the custodial applications, the  
7 Commissioner was unable to determine if Continuum had been granted limited power of attorney  
8 (discretionary authorization) in those clients’ accounts or if it was granted full power of attorney and  
9 inadvertently held custody of client assets. In addition, and in spite of the Commissioner’s demands,  
10 Continuum failed to provide at least one client’s signed investment advisory agreement in violation  
11 of Corporations Code section 25241 and CCR 260.241.3, subdivision (a)(10).

12           NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING, it is hereby  
13 ORDERED under the provisions of Corporations Code section 25249 that Continuum Financial  
14 Partners, LLC immediately discontinue the violations of Corporations Code section 25241 and CCR  
15 section 260.241.3, subdivisions (a)(9) and (10), as stated above, and provide the Commissioner with  
16 copies of the requested brokerage account applications and investment advisory agreement  
17 concerning its clients’ accounts.

18 Dated: June 20, 2017  
19       Los Angeles, CA

JAN LYNN OWEN  
Commissioner of Business Oversight

21 By \_\_\_\_\_  
22 MARY ANN SMITH  
23 Deputy Commissioner  
24 Enforcement Division  
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