

1 MARY ANN SMITH
Deputy Commissioner
2 DOUGLAS M. GOODING
Assistant Chief Counsel
3 ERIK BRUNKAL (CA BAR NO. 166086)
Senior Corporations Counsel
4 DEPARTMENT OF BUSINESS OVERSIGHT
1515 K Street, Ste. 200
5 Sacramento, California 95814
6 Telephone: (916) 322-8782
7 Facsimile: (916) 445-6985

8 Attorneys for Complainant

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

12	In the Matter of)	FILE NO. 118157
)	
13	THE COMMISSIONER OF BUSINESS)	1. DESIST AND REFRAIN ORDER;
14	OVERSIGHT,)	2. ORDER LEVYING ADMINISTRATIVE
)	PENALTIES
15	Complainant,)	
	v.)	
16)	
17	Jeffrey Jordan dba Jordan Advisor Group)	
)	
18	Respondents.)	
19)	

20 The Commissioner of Business Oversight ("Commissioner") of the Department of Business
21 Oversight ("Department") alleges and charges as follows:

22 **I. JURISDICTION AND VENUE**

23 1. The Commissioner brings this action pursuant to the provisions of Corporations Code
24 sections 25252, subdivision (a) and 25532, subdivision (b), and the rules and regulations
25 promulgated thereunder.

26 2. The Commissioner is authorized to administer and enforce the provisions of the
27 Corporate Securities Law of 1968, Corporations Code section 25000 et seq. and the regulations
28 thereunder at California Code of Regulations, Title 10 (hereinafter, "Corporate Securities Law").

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

II. STATEMENT OF FACTS

3. This action is brought to order Respondent Jeffrey Jordan dba Jordan Advisor Group to:
- (a) desist and refrain from unlicensed investment adviser activities pursuant to Corporations Code section 25532, subdivision (b); and,
 - (b) pay penalties to the Department for conducting unlicensed investment adviser activities pursuant to Corporations Code section 25252, subdivision (a), of one thousand six hundred and twenty-five dollars (\$1,625.00) for all violations of section 25230, subdivision (a), combined.
4. At all relevant times, Jeffrey Jordan was the sole owner and sole control person of Jordan Advisor Group, a sole proprietorship.
5. In December 2013, Mr. Jordan moved from the State of Washington to the State of California. At the same time, Mr. Jordan relocated the offices of Jordan Advisor Group to California.
6. On or about July 2, 2014, the Department received notice from the State of Washington, Securities Division, that Jeffrey Jordan dba Jordan Advisor Group had moved its primary office to California, but had failed to register in California. Consequently, the Department initiated an investigation.
7. Mr. Jordan cooperated fully with the Department’s investigation. The Department’s investigation found that Jeffrey Jordan dba Jordan Advisor Group had been offering investment advice for a fee since December 2013, to four (4) clients, all of whom lived in California, from a main office location in the State of California.
8. On or about November 4, 2014, Jeffrey Jordan dba Jordan Advisor Group filed an application for registration with the Department. The application is currently pending the outcome of this action.

III. DESIST AND REFRAIN ORDER

9. Corporations Code section 25230, subdivision (a) provides, in pertinent part:
- It is unlawful for any investment adviser to conduct business as an investment adviser in this state unless the investment adviser has first applied for and secured from the commissioner a certificate, then in effect, authorizing the investment adviser to do so

1 10. Corporations Code section 25532, subdivision (b) provides, in pertinent part:

2 If, in the opinion of the commissioner, a person has been or is acting as a
3 broker-dealer or investment adviser, or has been or is engaging in broker-dealer or
4 investment adviser activities, in violation of Section 25210, 25230, or 25230.1,
5 the commissioner may order that person to desist and refrain from the activity
6 until the person has been appropriately licensed or the required filing has been
7 made under this law.

8 11. Jeffery Jordan dba Jordan Advisor Group has conducted business as an investment adviser
9 in this state without first securing from the commissioner a certificate, then in effect, in violation of
10 Corporations Code section 25230, subdivision (a).

11 Accordingly, Jeffrey Jordan dba Jordan Advisor Group is hereby ordered to desist and
12 refrain from acting as an investment adviser in the State of California unless and until he has first
13 applied for and secured from the commissioner a certificate authorizing him to act as an investment
14 adviser, or unless exempt.

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

17 **IV. ORDER LEVYING ADMINISTRATIVE PENALTIES**

18 12. Jeffrey Jordan dba Jordan Advisor Group willfully violated the Corporate Securities Law by
19 engaging in unlicensed investment adviser activity, in violation of Corporations Code section
20 25230, subdivision (a).

21 13. Corporations Code section 25252, subdivision (b) authorizes the Commissioner to issue an
22 order levying administrative penalties against any investment adviser for willful violations of any
23 provisions of the California Securities Laws and any rules promulgated thereunder.

24 14. Corporations Code section 25252, subdivision (b) provides, in relevant part:

25 (b) Any broker-dealer or investment adviser that willfully violates
26 any provision of this division to which it is subject, or that willfully
27 violates any rule or order adopted or issued pursuant to this division and to
28 which it is subject, is liable for administrative penalties of not more than
five thousand dollars (\$5,000) for the first violation, not more than ten
thousand dollars (\$10,000) for the second violation, and not more than
fifteen thousand dollars (\$15,000) for each subsequent violation.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Pursuant to Corporations Code section 25252, subdivision (b), the commissioner hereby levies administrative penalties against Respondent Jeffery Jordan dba Jordan Advisor Group in the amount of one-thousand five-hundred dollars (\$1,500.00) for violation of section 25230, subdivision (a) over the course of approximately one year of advising clients and collecting fees while unlicensed, plus an additional one hundred twenty-five dollars (\$125.00) reflecting licensing fees Jeffrey Jordan dba Jordan Advisor Group avoided paying the Department by failing to become licensed in 2013. This amount shall be paid to the commissioner as follows:

- (a) An initial payment of \$375 paid to the Department due within 10 days of the issuance of the order; and,
- (b) Five (5) equal payments of \$250 paid to the Department on or before the following dates: February 28, 2015, March 31, 2015, April 30, 2015, May 31, 2015, and June 30, 2015.

Said checks will be made payable to the "California Department of Business Oversight" and will be sent to Erik Brunkal, Senior Corporations Counsel, 1515 K St., Suite 200, Sacramento, CA 95814.

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

Dated: January 16, 2015
Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division