



1           5.       During the period of August 1992 through April 2007, Simon was registered with the  
2 Financial Industry Regulatory Authority (FINRA) with a Central Registration Depository (CRD)  
3 number 2268559 as an investment adviser representative for various investment adviser firms.

4           6.       After Simon's termination from employment in or around April 2007, Simon ceased to  
5 be registered with FINRA as an investment adviser representative and never obtained a certificate  
6 from the Commissioner to act as an investment adviser under Corporations Code section 25230.  
7 Simon is not exempt from the requirement to obtain a certificate from the Commissioner prior to  
8 engaging in the business of an investment adviser.

9           7.       Simon has never obtained a certificate from the Commissioner to act as a broker-  
10 dealer pursuant to Corporations Code section 25210 and is not exempt from the licensure  
11 requirement.

12          8.       Legacy Management has never obtained a certificate to act as a broker-dealer under  
13 Corporations Code section 25210 and is not exempt from the licensure requirement.

14          9.       Legacy Management has never obtained a certificate to act as an investment adviser  
15 under Corporations Code section 25230 and is not exempt from the licensure requirement.

16          10.       Richport Capital has never obtained a certificate to act as a broker-dealer under  
17 Corporations Code section 25210 and is not exempt from the licensure requirement.

18          11.       Richport Capital has never obtained a certificate to act as an investment adviser under  
19 Corporations Code section 25230 and is not exempt from the licensure requirement.

20          12.       From in or around December 2012 through at least April 2016, Simon, Legacy  
21 Management, and Richport Capital engaged in the business of investment advisers and broker-  
22 dealers, as further described below.

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24               Unlicensed Investment Advisers and Broker-Dealers: Simon and Legacy Management

25          13.       In or around December 2012, Legacy Management entered into a Client Agreement  
26 with a California resident (Client A). Simon signed the Client Agreement on behalf of Legacy  
27 Management, who was designated as the "Advisor." Client A's Client Agreement stated in relevant  
28 part:

1 Discretionary Investment Management. The Client is opening a  
2 discretionary advisory account (the "Account") with Advisor. The Client  
3 authorizes Advisor to buy, sell, or otherwise trade securities or other  
4 investments in the Account without discussing the transactions with the  
5 Client in advance . . .

6 Financial Planning. The Client has selected Advisor for the purpose of  
7 acquiring information to develop a "Personalized Financial Plan" . . .

8 Fees for Financial Planning. Fees for financial planning range from  
9 \$2,500 to \$25,000 per financial planning year . . . .

10 14. In or around December 2012, Simon sent Client A an email containing Legacy  
11 Management's wire information, including bank name, routing number, account number, and account  
12 name, "Legacy Wealth Management." Simon stated, "Once the funds are received, I will deploy  
13 them in the corporate brokerage account on a down day, so that we can take advantage of a potential  
14 market dip. I will also email you a receipt for the funds so that you can have it for your records."  
15 The signature line read, "Adrian Simon, MBA RFC." On or around December 6, 2012, Client A  
16 wired \$55,000.00 to Legacy Management.

17 15. The Client Agreement with Client A stated that Legacy Management would provide  
18 the clients of Investment Management Services with a "quarterly portfolio report of current  
19 holdings." On June 3, 2013, Legacy Management sent Client A a letter signed by Simon purporting  
20 to summarize Client A's account performance and annualized rate of return over the past six months.

21 16. On or around January 27, 2016, Simon sent Client A an email containing Invoice #  
22 1018 charging \$2,000.00 as the "2016 annual management retainer." The invoice displayed the  
23 following contact information: "Strategic Management;" at [bankeras@me.com](mailto:bankeras@me.com).

24 17. In or around January 2016 Client A received a document entitled, "[Client A] Account  
25 Performance." The document indicated "Portfolio and Trade Details" for "700 shs AAPL @ 95.75."

26 18. In or around July 2013, Simon instructed a California resident who had executed a  
27 Client Agreement with Legacy Management in July 2013 (Client B), "Also, the check should be  
28 made out to Legacy Wealth Management, LLC and not to me." Simon added, "[t]he \$4,500 includes

1 the 2% annual fee (\$4,000 based on \$200k) plus the \$500 tax prep. The 20% will be assessed each  
2 quarter based on account performance.”

3 19. In or around January 2014, Simon gave Client B recommendations about buying and  
4 selling stock, including the following: “[T]his company is one of my favorite down-beaten plays in  
5 this market, and I expect a good rebound . . . we should have a significant return on this position . . .  
6 We had a couple of bad option trades in the account . . . However, given that this is a retirement  
7 account, those paper losses are just that . . . .”

8 20. In or around September 2015, Simon gave Client B recommendations on how to  
9 invest the equity in real properties, including the following: “I have done some research across  
10 multiple sources with regards to the properties’ valuations,” including Client B’s residence. Simon  
11 stated, “[W]e have, on average, about \$891,000 of total equity available. I would recommend taking  
12 out about half of the equity available, and split that up between the two opportunities we discussed,”  
13 which included investing in a company “pre-IPO” and a publicly traded lighting business.

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15 Unlicensed Investment Advisers and Broker-Dealers: Simon and Richport Capital

16 21. In or around February 2015, Richport Capital entered into a Client Agreement with a  
17 California resident (Client C). Simon signed the Client Agreement on behalf of Richport Capital,  
18 who was designated as the “Advisor.” Client C’s Client Agreement stated in relevant part:

19 Discretionary Investment Management. The Client is opening a  
20 discretionary advisory account (the “Account”) with Advisor. The Client  
21 authorizes Advisor to buy, sell, or otherwise trade securities or other  
22 investments in the Account without discussing the transactions with the  
23 Client in advance . . .

24 Financial Planning. The Client has selected Advisor for the purpose of  
25 acquiring information to develop a “Personalized Financial Plan” . . . .

26 Fees for Financial Planning. Fees for financial planning range from  
27 \$2,500 to \$25,000 per financial planning year . . . .

28 22. In or around October 2015, Client C received from Richport Capital an “Account  
Summary” purporting to show purchases and sales of various stocks.



1 dealer or investment adviser activities, in violation of Section 25210,  
2 25230, or 25230.1, the commissioner may order that person to desist and  
3 refrain from the activity until the person has been appropriately licensed or  
the required filing has been made under this law.

4 Based on the foregoing, the Commissioner is of the opinion that Adrian Simon, Legacy  
5 Wealth Management, LLC a.k.a. Legacy Management, and Richport Capital, LLC conducted  
6 business as investment advisers in this state without first applying for and securing from the  
7 Commissioner a certificate, then in effect, authorizing them to do so, in violation of Corporations  
8 Code section 25230.

9 Pursuant to Corporations Code section 25532, subdivision (b), Adrian Simon, Legacy Wealth  
10 Management, LLC a.k.a. Legacy Management, and Richport Capital, LLC are hereby ordered to  
11 desist and refrain from engaging in the business of investment advisers in the State of California  
12 unless and until they have first applied for and secured from the Commissioner a certificate, then in  
13 effect, authorizing them to engage in the business of investment advisers.

14 Furthermore, based on the foregoing, the Commissioner is of the opinion that Adrian Simon,  
15 Legacy Wealth Management, LLC a.k.a. Legacy Management, and Richport Capital, LLC engaged  
16 in the business of broker-dealers in this state without first applying for and securing from the  
17 Commissioner a certificate, then in effect, authorizing them to do so, in violation of Corporations  
18 Code section 25210.

19 Pursuant to Corporations Code section 25532, subdivision (b), Adrian Simon, Legacy Wealth  
20 Management, LLC a.k.a. Legacy Management, and Richport Capital, LLC are hereby ordered to  
21 desist and refrain from engaging in the business of broker-dealers in the State of California unless  
22 and until they have first applied for and secured from the Commissioner a certificate, then in effect,  
23 authorizing them to engage in the business of broker-dealers.

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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.

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4 Dated: September 5, 2017  
5       Los Angeles, California

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JAN LYNN OWEN  
Commissioner of Business Oversight

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By: \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division

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