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

13 In the Matter of:) CRD NO. 2658649
14)
15 THE COMMISSIONER OF BUSINESS)
OVERSIGHT,)
16 Complainant,) **ORDER BARRING ALBERTO NEIRA**
17 v.) **FROM ANY POSITION OF**
18 ALBERTO NEIRA,) **EMPLOYMENT, MANAGEMENT OR**
19) **CONTROL OF ANY BROKER-DEALER**
20 Respondent.) **OR INVESTMENT ADVISER PURSUANT**
21) **TO CORPORATIONS CODE SECTION**
22) **25213**

24 TO: ALBERTO NEIRA

26 1. On February 19, 2015, the Commissioner of Business Oversight (“Commissioner”)
27 brought an action to bar Respondent Alberto Neira (“Neira”) from any position of employment,
28 management or control of any broker-dealer or investment adviser pursuant to Corporations Code

1 section 25213.

2 2. Beginning in February 2002 until his termination in January 2011, Neira was a
3 registered representative associated with broker-dealer LPL Financial, LLC (“LPL”) at a branch
4 office located at 2677 North Main Street, Suite 320, Santa Ana, California. LPL has its headquarters
5 in Boston, Massachusetts, and is a member of Financial Industry Regulatory Authority (“FINRA”).
6 FINRA is a national self-regulatory membership association of broker-dealers, authorized by the
7 1938 Maloney Act amendments to the Securities Exchange Act of 1934 to supervise the conduct of
8 its members subject to the oversight of the United States Securities and Exchange Commission.

9 3. Effective December 4, 2012, FINRA barred Neira from the securities industry and
10 from associating with any FINRA member in any capacity. A FINRA Letter of Acceptance, Waiver
11 and Consent (“AWC”), signed by Neira on November 12, 2012, includes FINRA findings of law and
12 fact.

13 4. FINRA found, as stated in the AWC, that Silver Oak Leasing, Inc. (“Silver Oak”),
14 incorporated in California in 2006, was purportedly involved in providing automobile financing and
15 leasing services. Neira disclosed to his employing broker-dealer firm LPL, that he had only a passive
16 investment in Silver Oak. He did not disclose to LPL that he was a director of Silver Oak, a
17 Secretary of the Board, owned 55% of Silver Oak’s common stock by 2009, and received salary and
18 other compensation from Silver Oak of approximately \$185,000 in 2009 and over \$250,000 in 2010.

19 5. FINRA further found that between July 1, 2008 and January 18, 2011, Neira
20 recommended investments in Silver Oak to LPL customers, specifically stock and promissory notes
21 that investors understood were to be used for the general use of Silver Oak’s business enterprise.
22 These recommendations resulted in at least 14 LPL customers investing over \$2 million in Silver
23 Oak. Neira conducted these investments privately, not through his employing firm, and without
24 disclosing these securities transactions to his employing firm.

25 6. Neira’s failure to disclose to LPL the true extent of his involvement with Silver Oak
26 and the Silver Oak securities transactions he recommended to at least 14 LPL customers, resulting in
27 investments of more than \$2 million, among other things, were found to be violations of FINRA
28 rules.

1 7. In the FINRA AWC, Neira consented to a bar from the securities industry, a bar from
2 associating with any FINRA member in any capacity, including clerical or ministerial functions, and
3 to the AWC becoming a part of his permanent disciplinary record that could be considered in any
4 future actions brought by FINRA or any other regulator.

5 8. The FINRA AWC provides grounds for the Commissioner to bar Neira from any
6 position of employment, management or control of any broker-dealer or investment adviser, pursuant
7 to Corporations Code sections 25213 and 25212, subdivision (d).

8 9. On February 19, 2105, Neira was personally served with copies of the following
9 documents: (1) Notice of Intention to Issue Order Barring Alberto Neira from Any Position of
10 Employment, Management or Control of Any Broker-Dealer or Investment Adviser; (2) Accusation;
11 (3) Statement to Respondent; (4) Notice of Defense; and (5) Government Codes sections 11507.5,
12 11507.6 and 11507.7. The Commissioner has received no request for hearing and the time to request
13 a hearing has expired.

14 Based upon the forgoing, the Commissioner finds that it is in the public interest to bar Alberto
15 Neira from any position of employment, management or control of any broker-dealer or investment
16 adviser pursuant to Corporations Code section 25213 for acts committed as specified in Corporations
17 Code section 25212 subdivision (d)(2), as described above.

18 THEREFORE, GOOD CAUSE APPEARING, IT IS ORDERED that Alberto Neira is barred
19 in the State of California from any position of employment, management or control of any broker-
20 dealer or investment adviser. This Order is effective immediately.

21 Dated: April 2, 2015
22 Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

24 By: _____
25 MARY ANN SMITH
26 Deputy Commissioner
27 Enforcement Division
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