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10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT

11 OF THE STATE OF CALIFORNIA

12 In the Matter of:

CRD NO.: 132979

13 THE COMMISSIONER OF BUSINESS
14 OVERSIGHT,

15 CONSENT ORDER

16 Complainant,

17 v.

18 ALPINE CAPITAL MANAGEMENT, LLC, an
19 entity,

20 Respondent.

21 This Consent Order is entered into between the Commissioner of Business Oversight
22 (Commissioner) of the Department of Business Oversight and Alpine Capital Management, LLC and
23 is made with respect to the following facts:

24 **I.**

25 **RECITALS**

26 A. The Commissioner has jurisdiction over the licensing and regulation of persons
27 engaged in the business of investment advising under the Corporate Securities Law of 1968
28 (Corporations Code section 25000 et seq.).

1 B. Alpine Capital Management, LLC holds a valid and unrevoked investment adviser
2 certificate issued by the Commissioner on June 20, 2008, pursuant to Corporations Code section
3 25230. Alpine Capital Management, LLC is an investment adviser business located at 2281 North
4 1420 West, Pleasant Grove, Utah 84062. Alpine Capital Management, LLC is a limited liability
5 company.

6 C. Corporations Code section 25241 requires every investment adviser licensed by the
7 Commissioner to maintain books and records, file reports with the Commissioner, and submit to
8 examination by the Commissioner, as the Commissioner deems necessary or appropriate in the
9 public interest or for the protection of investors.

10 D. On or about March 14, 2018, the Commissioner notified Alpine Capital Management,
11 LLC that Alpine Capital Management, LLC must designate an email address to receive an online
12 examination form. In response to the Commissioner's notification, Alpine Capital Management,
13 LLC designated an email address to receive the online examination form.

14 E. On or about October 2, 2018, the Commissioner sent the online examination to
15 Alpine Capital Management, LLC to the email address designated by Alpine Capital Management,
16 LLC. The Commissioner informed Alpine Capital Management, LLC that the online examination
17 must be completed and submitted by November 16, 2018.

18 F. The Commissioner sent four notices, October 15, 2018, October 26 or 29, 2018,
19 November 5, 2018, and November 12, 2018, reminding Alpine Capital Management, LLC of the
20 November 16, 2018 deadline to complete and submit the online examination.

21 G. Despite the Commissioner's efforts, Alpine Capital Management, LLC failed to
22 timely complete and submit the online examination by the November 16, 2018 deadline.

23 H. On December 6, 2018, Alpine Capital Management, LLC submitted its online
24 examination.

25 I. The Commissioner finds that entering into this Consent Order is necessary, in the
26 public interest, for the protection of investors and consistent with the purposes, policies, and
27 provisions of the Corporate Securities Law of 1968.

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1 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set
2 forth herein, the parties agree as follows:

3 **II.**

4 **TERMS AND CONDITIONS**

5 1. Purpose. The parties intend to resolve this matter for the purpose of judicial economy
6 and expediency and without the uncertainty and expense of a hearing or other litigation.

7 2. Waiver of Hearing Rights. Alpine Capital Management, LLC acknowledges its right
8 under the Corporate Securities Law of 1968 to an administrative hearing on this Consent Order and
9 hereby waives such right to a hearing and to any reconsideration, appeal, injunction or other review
10 that may be afforded under the Corporations Code; Administrative Procedure Act, including
11 Government Code section 11415.60, subdivision (b); Code of Civil Procedure; or any other
12 provision of law. By waiving such rights, Alpine Capital Management, LLC effectively consents to
13 the finality of this Consent Order.

14 3. Administrative Penalty. Alpine Capital Management, LLC shall pay an administrative
15 penalty of \$2,500.00 no later than 30 days after the effective date of this Consent Order as defined in
16 paragraph 17. The penalty must be made payable in the form of a cashier's check or Automated
17 Clearing House deposit to the Department of Business Oversight and transmitted to the attention of
18 Accounting – Litigation, at the Department of Business Oversight, 1515 K Street, Suite 200,
19 Sacramento, California 95814. Notice of the payment must be concurrently sent to Alex M. Calero,
20 Senior Counsel, Department of Business Oversight, 1350 Front Street, Room 2034, San Diego, CA
21 92101.

22 4. Failure to Pay Administrative Penalty. If Alpine Capital Management, LLC fails to
23 comply with paragraph 3, the Commissioner may summarily suspend it from engaging in business
24 under its investment adviser certificate until it provides evidence of compliance to the
25 Commissioner's satisfaction. Further, if Alpine Capital Management, LLC fails to comply with
26 paragraph 3, Alpine Capital Management, LLC shall pay to the Commissioner an administrative
27 penalty of \$5,000.00. Alpine Capital Management, LLC hereby waives any notice or hearing rights
28 afforded under the Administrative Procedure Act, including Government Code section 11415.60,

1 subdivision (b); Code of Civil Procedure; or any other provision of law to contest the summary
2 suspension and administrative penalty of \$5,000.00
3 contemplated by this paragraph.

4 5. Full and Final Resolution. Except as stated in paragraph 4, this Consent Order is
5 intended to constitute a full and final resolution of the matter described in it. The
6 Commissioner will not bring any further action or proceeding concerning the matter unless she
7 discovers violations by Alpine Capital Management, LLC that do not form the basis for this Consent
8 Order, including violations knowingly concealed from the Commissioner.

9 6. Commissioner's Duties. Nothing in this Consent Order limits the Commissioner's
10 ability to assist any other government agency with any action brought by that agency against Alpine
11 Capital Management, LLC, including an action based on any of the acts, omissions, or events
12 described in this Consent Order.

13 7. Independent Legal Advice. Each of the parties represents, warrants, and agrees that it
14 has had an opportunity to seek independent advice from its attorney(s) and/or representatives with
15 respect to the advisability of executing this Consent Order.

16 8. Reliance. Each of the parties represents, warrants, and agrees that in executing this
17 Consent Order it has relied solely on the statement set forth herein and has had the opportunity to
18 seek the legal advice of its own counsel. Each of the parties further represents, warrants, and agrees
19 that in executing this Consent Order it has placed no reliance on any statement, representation, or
20 promise of any other party, or any other person or entity not expressly set forth herein, or upon the
21 failure of any party or any other person or entity to make any statement, representation, or disclosure
22 of anything whatsoever. The parties have included this clause: (1) to preclude any claim that any
23 party was in any way fraudulently induced to execute this Consent Order; and (2) to preclude the
24 introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this Consent
25 Order.

26 9. Full Integration. This Consent Order is the final written expression and the complete
27 and exclusive statement of all the agreements, conditions, promises, representations, and covenants
28 between the parties with respect to the subject matter hereof, and supersedes all prior or

1 contemporaneous agreements, negotiations, representations, understandings, and discussions
2 between and among the parties, their respective representatives, and any other person or entity, with
3 respect to the subject matter covered hereby. The parties have included this clause to preclude the
4 introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this Consent
5 Order.

6 10. No Presumption Against Drafter. In that the parties have had the opportunity to draft,
7 review, and edit the language of this Consent Order, no presumption for or against any party arising
8 out of drafting all or any part of this Consent Order will be applied in any action relating to,
9 connected to, or involving this Consent Order. Accordingly, the parties waive the benefit of Civil
10 Code section 1654 and any successor or amended statutes, providing that in cases of uncertainty,
11 language of a contract should be interpreted most strongly against the party who caused the
12 uncertainty to exist.

13 11. Voluntary Agreement. Alpine Capital Management, LLC hereby enters in this
14 Consent Order voluntarily and without coercion and acknowledges that no promises, threats, or
15 assurances have been made by the Commissioner or any officer, or agent thereof, about this Consent
16 Order.

17 12. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of
18 this Consent Order will be valid or binding unless it is in writing and signed by all parties
19 affected by it. Waiver of a provision of this Consent Order Agreement will not be deemed a waiver
20 of any other provision.

21 13. Counterparts. The parties agree that this Consent Order may be executed in one or
22 more separate counterparts, each of which when so executed, shall be deemed an original. A fax or
23 electronic mail signature shall be deemed the same as an original signature. Such counterparts shall
24 together constitute and be one and the same instrument.

25 14. Public Record. Alpine Capital Management, LLC acknowledges that the Consent
26 Order is public record.

27 15. Headings. The headings to the paragraphs of this Consent Order are inserted for
28 convenience only and will not be deemed a part hereof or affect the construction or interpretation of

1 the provisions hereof.

2 16. Governing Law. This Consent Order shall be construed and enforced in accordance
3 with and governed by California law.

4 17. Effective Date. This Consent Order will become effective on the date it is
5 signed by all parties and delivered by the Commissioner to Alpine Capital Management, LLC's by
6 electronic mail at brucearmstrong@alpinecapital.net

7 18. Settlement Authority. Each party represents that the person signing this Consent
8 Order on its behalf has the authority and capacity to do so.

9 Dated: April 25, 2019

JAN LYNN OWEN
Commissioner of Business Oversight

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By _____
MARY ANN SMITH
Enforcement Division
Department of Business Oversight

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17 Dated: April 25, 2019

Alpine Capital Management, LLC

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By _____
Bruce Armstrong
Managing Member

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