

1 MARY ANN SMITH
Deputy Commissioner
2 DANIEL P. O'DONNELL
Assistant Chief Counsel
3 JEREMY F. KOO (State Bar No. 300225)
4 Counsel
5 Department of Business Oversight
1515 K Street, Suite 200
6 Sacramento, California 95814
Telephone: (916) 327-2610
7 Facsimile: (916) 445-6985
8 Attorneys for the Complainant

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

<p>12 In the Matter of:</p> <p>13 THE COMMISSIONER OF BUSINESS OVERSIGHT,</p> <p>14</p> <p>15 Complainant,</p> <p>16</p> <p>17 v.</p> <p>18 BG FINANCIAL ADVISORS, LLC, an entity,</p> <p>19 Respondent.</p>	<p>CRD NO. 167309</p> <p>CONSENT ORDER</p>
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21 This Consent Order is entered into between the Commissioner of Business Oversight
22 (Commissioner) of the Department of Business Oversight and BG Financial Advisors, LLC and is
23 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. BG Financial Advisors, LLC holds a valid and unrevoked investment adviser
2 certificate issued by the Commissioner on August 12, 2013, pursuant to Corporations Code section
3 25230. BG Financial Advisors, LLC is an investment adviser business located at 122 Palmetto
4 Place, Beaufort, South Carolina 29902 and is a Colorado limited liability company.

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

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

13 E. On or about October 1, 2018, the Commissioner sent the online examination to BG
14 Financial Advisors, LLC to the email designated by BG Financial Advisors, LLC. The
15 Commissioner informed BG Financial Advisors, LLC that the online examination must be
16 completed and submitted by November 16, 2018.

17 F. The Commissioner sent four notices, October 15, 2018, October 29, 2018, November
18 5, 2018, and November 12, 2018, reminding BG Financial Advisors, LLC of the November 16, 2018
19 deadline to complete and submit the online examination.

20 G. Despite the Commissioner's efforts, BG Financial Advisors, LLC failed to timely
21 complete and submit the online examination by the November 16, 2018 deadline.

22 H. On December 6, 2018, BG Financial Advisors, LLC submitted its online
23 examination.

24 I. The Commissioner finds that entering into this Consent Order is necessary, in the
25 public interest, for the protection of investors and consistent with the purposes, policies, and
26 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. BG Financial Advisors, LLC acknowledges its right under
8 the Corporate Securities Law of 1968 to an administrative hearing on this Consent Order and hereby
9 waives such right to a hearing and to any reconsideration, appeal, injunction or other review that
10 may be afforded under the Corporations Code; Administrative Procedure Act, including Government
11 Code section 11415.60, subdivision (b); Code of Civil Procedure; or any other provision of law. By
12 waiving such rights, BG Financial Advisors, LLC effectively consents to the finality of this Consent
13 Order.

14 3. Administrative Penalty. BG Financial Advisors, LLC shall pay an administrative
15 penalty of \$1,000.00 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 Jeremy F. Koo,
20 Counsel, Department of Business Oversight, 1515 K Street, Suite 200, Sacramento, California
21 95814.

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

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

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

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

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

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

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

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

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

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

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

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

23 14. Public Record. BG Financial Advisors, LLC acknowledges that the Consent Order is
24 public record.

25 15. Headings. The headings to the paragraphs of this Consent Order are inserted for
26 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
27 the provisions hereof.
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16. Governing Law. This Consent Order shall be construed and enforced in accordance with and governed by California law.

17. Effective Date. This Consent Order will become effective on the date it is signed by all parties and delivered by the Commissioner to BG Financial Advisors, LLC's by electronic mail at bgreen@bgmoney.com.

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

Dated: April 23 2019 JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Enforcement Division
Department of Business Oversight

Dated: April 22, 2019 BG FINANCIAL ADVISORS, LLC

By _____
ROBERT L. GREEN
Managing Member and Chief Compliance Officer