

1 MARY ANN SMITH
Deputy Commissioner
2 SEAN ROONEY
Assistant Chief Counsel
3 SAMUEL J. PARK (State Bar No. 293902)
4 Counsel
5 Department of Business Oversight
6 320 West 4th Street, Suite 750
7 Los Angeles, California 90013
Telephone: (213) 576-7683
Facsimile: (213) 576-7181

8 Attorneys for the Complainant

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

12 In the Matter of:

CRD NO.: 128761

13 THE COMMISSIONER OF BUSINESS
14 OVERSIGHT,

15 Complainant,

ORDER SUMMARILY REVOKING
INVESTMENT ADVISER CERTIFICATE

16 v.

(CORP. CODE SECTION 25242)

17 SCHULTZ AND ASSOCIATES, INC., an
18 entity,

19 Respondent.

20
21 TO: Schultz and Associates, Inc.
125 North 2nd Street
22 Ashland, Oregon 97520

23 Jan Lynn Owen, Commissioner of Business Oversight (Commissioner) of the Department of
24 Business Oversight (DBO) finds that:

25 1. At all relevant times, Schultz and Associates, Inc. (Schultz and Associates) held a
26 valid and unrevoked investment adviser certificate issued by the Commissioner on April 2, 2013,
27 pursuant to Corporations Code section 25230. Schultz and Associates is an investment adviser
28 business located at 125 North 2nd Street, Ashland, Oregon 97520. Schultz and Associates is an

1 Oregon corporation.

2 2. On or about March 14, 2018, the Commissioner notified Schultz and Associates that it
3 must designate an email address to receive an online examination form. In response to the
4 Commissioner’s notification, Schultz and Associates designated an email to receive the online
5 examination form.

6 3. On or about October 2, 2018, the Commissioner sent the online examination to Schultz
7 and Associates to the email designated by it. The Commissioner informed Schultz and Associates
8 that the online examination must be completed and submitted by November 16, 2018.

9 4. The Commissioner sent four emails, dated October 15, 2018, October 29, 2018,
10 November 5, 2018, and November 12, 2018, to Schultz and Associates’ designated email address,
11 reminding it of the November 16, 2018 deadline to complete and submit the online examination.

12 5. Despite the Commissioner’s efforts, Schultz and Associates failed to timely complete
13 and submit the online examination by the November 16, 2018 deadline.

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

18 Therefore, based on the foregoing and good cause appearing, it is hereby ORDERED under
19 Corporations Code section 25242, subdivision (c), that Schultz and Associates, Inc.’ investment
20 adviser certificate is summarily revoked for violations of section 25241. This order is effective
21 immediately. This revocation precludes Schultz and Associates from engaging in normal investment
22 adviser activities that solicit or facilitates new business, including for existing clients.

23 This revocation does not preclude Schultz and Associates from engaging in activities
24 necessary to the winding down of the business such as liquidating transactions, transferring
25 accounts, forwarding any checks received to clearing firms, responding to regulatory inquiries, and
26 otherwise fielding client/customer inquiries for account servicing or document requests, among other
27 things.

28

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

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 of 1968.

Dated: March 25, 2019

JAN LYNN OWEN
Commissioner of Business Oversight

By: _____
MARY ANN SMITH
Enforcement Division
Department of Business Oversight