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

12 In the Matter of:

CRD NO.: 121442

13 THE COMMISSIONER OF BUSINESS
14 OVERSIGHT,

15 CONSENT ORDER

16 Complainant,

17 v.

18 GLOBAL INVESTMENT ADVISORS, LLC
19 an 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 Global Investment Advisors, LLC
23 (Global Investment) and 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
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1 (Corporations Code section 25000 et seq.).

2 B. Global Investment holds a valid and unrevoked investment adviser certificate issued
3 by the Commissioner on October 12, 2005, pursuant to Corporations Code section 25230. Global
4 Investment is an investment adviser business located at 218 Boston Street, Suite 101, Topsfield,
5 Massachusetts 01983. Global Investment is a Massachusetts limited liability 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 Global Investment that
11 Global Investment must designate an email address to receive an online examination form. In
12 response to the Commissioner's notification, Global Investment designated an email address to
13 receive the online examination form.

14 E. On or about October 2, 2018, the Commissioner sent the online examination to
15 Global Investment to the email address designated by Global Investment. The Commissioner
16 informed Global Investment that the online examination must be completed and submitted by
17 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 Global Investment of the November 16,
20 2018 deadline to complete and submit the online examination.

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

23 H. On December 27, 2018, Global Investment submitted its online 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. Global Investment acknowledges its right under the
8 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, Global Investment effectively consents to the finality of this Consent Order.

13 3. Administrative Penalty. Global Investment shall pay an administrative penalty of
14 \$1,500.00 no later than 30 days after the effective date of this Consent Order as defined in paragraph
15 17. The penalty must be made payable in the form of a cashier's check or Automated Clearing
16 House deposit to the Department of Business Oversight and transmitted to the attention of
17 Accounting – Litigation, at the Department of Business Oversight, 1515 K Street, Suite 200,
18 Sacramento, California 95814. Notice of the payment must be concurrently sent to: Danielle A.
19 Stoumbos, Senior Counsel, Department of Business Oversight, at Danielle.Stoumbos@dbo.ca.gov.

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

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

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

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

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

23 9. Full Integration. This Consent Order is the final written expression and the complete
24 and exclusive statement of all the agreements, conditions, promises, representations, and covenants
25 between the parties with respect to the subject matter hereof, and supersedes all prior or
26 contemporaneous agreements, negotiations, representations, understandings, and discussions
27 between and among the parties, their respective representatives, and any other person or entity, with
28 respect to the subject matter covered hereby. The parties have included this clause to preclude the

1 introduction of parole evidence to vary, interpret, supplement, or contradict the terms of this Consent
2 Order.

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

10 11. Voluntary Agreement. Global Investment hereby enters in this Consent Order
11 voluntarily and without coercion and acknowledges that no promises, threats, or assurances have
12 been made by the Commissioner or any officer, or agent thereof, about this Consent Order.

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

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

21 14. Public Record. Global Investment acknowledges that the Consent Order is public
22 record.

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

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

28 17. Effective Date. This Consent Order will become effective on the date it is

1 signed by all parties and delivered by the Commissioner to Cathy Guild, Chief Compliance Officer,
2 by electronic mail at: cguild@essexsecurities.com.

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

5 Dated: April 17, 2019 JAN LYNN OWEN
6 Commissioner of Business Oversight

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8 By _____
9 MARY ANN SMITH
10 Enforcement Division
11 Department of Business Oversight

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13 Dated: April 16, 2019 GLOBAL INVESTMENT ADVISORS, LLC

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15 By _____
16 CATHY GUILD
17 Chief Compliance Officer

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