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9 Attorneys for the Complainant

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

13 In the Matter of:
14 THE COMMISSIONER OF BUSINESS
15 OVERSIGHT,

16 Complainant,

17 v.

18 PHUONG, DAI, LAM doing business as
19 FORTPOINT INVESTMENT
20 MANAGEMENT, an entity,

21 Respondent.
22

CRD NO. 146572

ORDER LEVYING ADMINISTRATIVE
PENALTIES

(CORPORATIONS CODE SECTION 25252)

23 TO: Dai L. Phuong
24 Fortpoint Investment Management
25 227 Bellevue Way NE, Suite 215
26 Bellevue, Washington 98004

27 Manuel P. Alvarez, Commissioner of Business Oversight (Commissioner) of the Department
28 of Business Oversight (DBO) finds that:

1 1. Phuong, Dai, Lam doing business as Fortpoint Investment Management (Fortpoint
2 Investment) holds a valid and unrevoked investment adviser certificate issued by the Commissioner
3 on April 10, 2008, pursuant to Corporations Code section 25230. Fortpoint Investment is an
4 investment adviser business located at located at 227 Bellevue Way NE, Suite #215, Bellevue,
5 Washington 98004.

6 2. On or about March 14, 2018, the Commissioner notified Fortpoint Investment that
7 Fortpoint Investment must designate an email address to receive an online examination form. In
8 response to the Commissioner’s notification, Fortpoint Investment designated an email address to
9 receive the online examination form.

10 3. On or about October 2, 2018, the Commissioner sent the online examination to
11 Fortpoint Investment to the email address designated by Fortpoint Investment. The Commissioner
12 informed Fortpoint Investment that the online examination must be completed and submitted by
13 November 16, 2018.

14 4. The Commissioner sent Fortpoint Investment five emails, dated October 14, 2018,
15 October 29, 2018, November 4, 2018, November 12, 2018, and December 5, 2018, to Fortpoint
16 Investment’s designated email address, reminding Fortpoint Investment of the November 16, 2018
17 deadline to complete and submit the online examination.

18 5. Despite the Commissioner’s efforts, Fortpoint Investment failed to timely complete and
19 submit the online examination by the November 16, 2018 deadline. Fortpoint Investment submitted
20 its online examination on December 27, 2018.

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

25 7. On April 9, 2019, the Commissioner served Fortpoint Investment with the following:
26 (a) Notice of Intention to Issue Order Levying Administrative Penalties Pursuant to Corporations
27 Code Section 25252 and Statement to Respondent; (b) Statement in Support of Notice of Intention to
28

1 Issue Order Levying Administrative Penalties Pursuant to Corporations Code Section 25252; (c)
2 Notice of Defense; and (d) Government Code sections 11507.5, 11507.6, and 11507.7.

3 8. Fortpoint Investment did not timely request a hearing on the Notice of Intention to
4 Issue Order Levying Administrative Penalties Pursuant to Corporations Code section 25252 and the
5 time to request a hearing has expired.

6 NOW THEREFORE, GOOD CAUSE SHOWING, it is hereby ORDERED under the
7 provisions of Corporations Code section 25252 and 25241, that Fortpoint Investment pay the
8 Commissioner of Business Oversight administrative penalties in the amount of \$5,000.00. The
9 penalty amount of \$5,000.00 shall be paid within ten days of the date of this Order, otherwise, will
10 be deemed by the Commissioner of Business Oversight to be in violation of this Order and may be
11 subject to further action as provided for by law.

12 This order is necessary, in the public interest, for the protection of investors and consistent
13 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

14 Dated: May 21, 2019

15 MANUEL P. ALVAREZ
16 Commissioner of Business Oversight

17
18 By: _____
19 MARY ANN SMITH
20 Enforcement Division
21 Department of Business Oversight