

1 MARY ANN SMITH
Deputy Commissioner
2 DANIEL P. O'DONNELL
Assistant Chief Counsel
3 JOANNE ROSS (State Bar No. 202338)
Senior Counsel
4 Department of Financial Protection and Innovation
5 2101 Arena Boulevard
6 Sacramento, California 95834
7 Telephone: (916) 936-7908
Facsimile: (916) 928-7929
8 Attorneys for Complainant

10 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
11 OF THE STATE OF CALIFORNIA

12 In the Matter of:) CRD Nos.: 2187695 and 304480
13)
14 THE COMMISSIONER FINANCIAL) ORDER SUMMARILY REVOKING
PROTECTION AND INNOVATION,) INVESTMENT ADVISER CERTIFICATE OF
15) STRATEGIC WEALTH ADVISERS GROUP
Complainant,) SERVICES INC. PURSUANT TO
16 v.) CORPORATIONS CODE SECTION 25242
17)
18 MARK JOSEPH BOUCHER and STRATEGIC)
WEALTH ADVISORS GROUP SERVICES)
INC.,)
19 Respondent.)
20)

21
22 Manuel P. Alvarez, the Commissioner of Financial Protection and Innovation
23 (Commissioner), is informed and believes, and based upon such information and belief, alleges and
24 charges Respondent as follows:

- 25 1. The Commissioner is authorized to administer and enforce the provisions of the Corporate
26 Securities Law of 1968 (Corp. Code §25000 et seq.) (CSL) and brings this action pursuant to the
27 provisions of Corporations Code section 25242.
28 2. At all relevant times, Respondent Mark Joseph Boucher (Boucher) was an investment adviser

1 representative licensed by the Department of Financial Protection and Innovation (Department)
2 pursuant to the CSL beginning on or about July 18, 2019 (CRD No. 2187695), with his principal
3 place of business located at 1900 Wright Place, Suite 150, Carlsbad, California 92008.

4 3. At all relevant times, Respondent Strategic Wealth Advisors Group Services Inc. (SWAG)
5 was an investment adviser licensed by the Department pursuant to the CSL beginning on or about
6 July 18, 2019 (CRD No. 304480), with its principal place of business located at 1900 Wright Place,
7 Suite 150, Carlsbad, California 92008.

8 4. Boucher is the President, Chief Compliance Officer, and majority owner of SWAG.

9 5. On or about June 7, 2019, SWAG applied for an investment adviser certificate from the
10 Commissioner, and on July 18, 2019 the investment adviser certificate was approved.

11 6. On or about July 12, 2019, Boucher applied to be an investment adviser representative with
12 the Commissioner, and on July 18, 2019 the investment adviser representative registration was
13 approved.

14 7. On or about September 25, 2019, the Department commenced an examination of Boucher and
15 SWAG (Examination) and discovered several violations of the CSL by SWAG, including the failure
16 to maintain the capital required by CSL section 25237 and the failure to maintain required records in
17 violation of CSL section 25241.

18 8. Pursuant to California Code of Regulations, title 10, section 260.237.2, subdivision (j),
19 SWAG was deemed to have a net worth less than the minimum required by CSL section 25237 and
20 California Code of Regulations, title 10, section 260.237.2 because it failed to keep true, accurate and
21 current financial books and records.

22 9. During the Examination, the Department found that SWAG's financial statements were
23 incorrect and unreliable, in violation of CSL section 25241 and California Code of Regulations, title
24 10, section 260.241.3 as evidenced by many items, including but not limited to SWAG's:

- 25 a. depreciation of a Range Rover without evidence that it was a SWAG asset;
- 26 b. reporting a net income of over \$205,900 without supporting documentation;
- 27 c. unwillingness or inability to provide a written confirmation that the firm's financial
- 28 statements were maintained and prepared in accordance with Generally Accepted

1 Accounting Principles (GAAP); and

2 d. comingling rental income from properties personally owned by Boucher with
3 SWAG's books, records, and financial statements.

4 10. As the sole investment adviser representative, and the owner of SWAG, Boucher's violations
5 found during the Examination are inextricably connected to SWAG. These include violations of CSL
6 sections 25235 and 25236, as well as California Code of Regulations, title 10, sections 260.235.4 and
7 260.236.1. These violations are a result of Boucher failing to disclose on his U4, to clients, and to
8 prospective clients that in or about 2019, that he misappropriated at least \$400,000 in client funds
9 while at his prior firm, SCF Investment Advisers, and was terminated from that firm as a result.
10 After the Examination commenced, Boucher voluntarily terminated his employment with
11 SWAG. Since Boucher is the only investment adviser representative at SWAG, in effect,
12 SWAG is no longer in the investment advisory business.

13 11. In addition, on or about October 1, 2020, TD Ameritrade Institutional terminated its
14 relationship with SWAG, so that SWAG's limited Power of Attorney was revoked from all client
15 accounts, its login was disabled, its block trading account was closed, and it was restricted to
16 liquidating transactions only through August 1, 2020. TD Ameritrade also stated that SWAG may
17 not open any new accounts on the TD Ameritrade Institutional platform, and TD Ameritrade stated
18 that it will not process any "off-cycle" or deferred management fees.

19 12. Corporations Code section 25242, subdivision (c) states, in relevant part:
20 The commissioner may summarily suspend or revoke the certificate of a broker-
21 dealer or investment adviser if he or she . . . (5) fails to maintain any capital
22 required by subdivision (c) of Section 25216 or by Section 25237, or (6) fails to
maintain records as required by Section 25241.

23 13. SWAG failed to maintain the capital required by subdivision Section 25237 and failed to
24 maintain records as required by Section 25241, as described above.

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ORDER

WHEREFORE, based upon the foregoing, the Commissioner finds it is in the public interest to summarily revoke the investment adviser certificate of Strategic Wealth Advisors Group Services Inc. pursuant to Corporations Code section 25242, subdivision (c)(5) and (c)(6) and hereby orders such certificate revoked.

Dated: February 23, 2021
Sacramento, California

MANUEL P. ALVAREZ
Commissioner of Financial Protection and Innovation



By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division