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8 Attorneys for the Complainant

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

12 In the Matter of:

CRD NO. 160862

13 THE COMMISSIONER OF FINANCIAL
14 PROTECTION AND INNOVATION,

SETTLEMENT AGREEMENT

15 Complainant,

16 v.

17 MACIAN WEALTH MANAGEMENT, LLC,

18 Respondent.

19
20 This Settlement Agreement (the Settlement Agreement) is entered into between the
21 Commissioner of Financial Protection and Innovation (Commissioner) and Macian Wealth
22 Management, LLC (Macian), and is made with respect to the following facts.

23 I.

24 RECITALS

25 A. The Commissioner is authorized to administer and enforce the provisions of the
26 Corporate Securities Law of 1968 (CSL) (Corp. Code, § 25000 et seq.) and the rules and
27 regulations issued in title 10 of the California Code of Regulations (CCR) that regulate the business
28 and activities of broker-dealer agents and investment advisers in the state of California.

1 B. Macian is a California limited liability company not authorized to conduct business
2 in California. The California secretary of state's records indicate that on June 9, 2017, the
3 California Franchise Tax Board suspended Macian's powers, rights, and privileges under the
4 provisions of the California Revenue and Taxation Code, and Macian's powers, rights, and
5 privileges remain suspended as of the effective date of the Settlement Agreement.

6 C. Macian's principal place of business is located at 2850 El Cerro Court, Suite 202,
7 Carlsbad, California.

8 D. Beginning on April 27, 2012, Macian held an investment adviser certificate with the
9 Commissioner.

10 E. The Commissioner revoked Macian's investment adviser certificate on January 29,
11 2016, and later reinstated the company's license on February 6, 2017, pursuant to the
12 Commissioner's January 30, 2017 Consent Order (the Consent Order).

13 F. Jadine Wong-Hodgen (Wong-Hodgen) is Macian's investment adviser
14 representative, managing member, chief information officer (CIO), and registered agent. As such,
15 Wong-Hodgen is authorized to enter into the Settlement Agreement on behalf of Macian.

16 G. On March 2, 2021, the Commissioner personally served Wong-Hodgen with his
17 February 22 order summarily suspending Macian's investment adviser certificate under Corporations
18 Code section 25242, subdivision (c)(2) (the Suspension Order). The Suspension Order remains in
19 effect.

20 H. Under the Suspension Order, the Commissioner found that Macian had failed to
21 timely respond to the Commissioner's February 3 written demand. The demand required Macian to
22 make a customer refund within ten days.

23 I. After the deadline to respond to the Commissioner's written demand had passed, and
24 subsequent to the Commissioner's issuance of the Suspension Order, Macian provided the
25 Commissioner with its proof of payment of a refund to Macian's former clients in the amount of
26 \$3,624.68, which it had originally been ordered to pay under the Consent Order.

27 NOW, THEREFORE, in consideration of the foregoing and the terms and conditions set
28 forth herein, the parties agree as follows.

1 II.

2 TERMS AND CONDITIONS

3 1. Purpose. The Settlement Agreement resolves the issues before the Commissioner
4 under the Recitals, set forth above, in a manner that avoids the expense of a hearing and other
5 possible court proceedings, protects consumers, is in the public interest, and is consistent with the
6 purposes, policies, and provisions of the CSL.

7 2. Acknowledgment. Macian acknowledges that the Commissioner issued the
8 Suspension Order, in which the Commissioner found Macian had violated section 25242,
9 subdivision (c)(2) of the CSL, as described above in the Recitals. Macian admits service of the
10 Suspension Order filed in this matter.

11 3. Costs. Macian agrees to pay the Commissioner’s costs of \$1,000.00 (the Payment).
12 The Payment shall be due within 48 hours from the effective date of the Settlement Agreement and
13 made payable in the form of a cashier’s check or Automated Clearing House deposit to the
14 “Department of Financial Protection and Innovation,” and transmitted to the attention of
15 Accounting – Enforcement Division, Department of Financial Protection and Innovation, 2101
16 Arena Boulevard, Sacramento, California 95834. Notice of the Payment shall be sent to Blaine A.
17 Noblett, Senior Counsel, Department of Financial Protection and Innovation, 320 West 4th Street,
18 Suite 750, Los Angeles, California 90013-2344 or by e-mail at blaine.noblett@dfpi.ca.gov.

19 4. Surrender of License. The Commissioner agrees that Macian shall have 30 days (30-
20 day surrender period) within which to surrender its investment adviser certificate to the
21 Commissioner in accordance with Corporations Code section 25242, subdivision (a) and CCR
22 section 260.242, subdivision (b), which includes the filing of a Form ADV-W – Notice of
23 Withdrawal from Registration as Investment Adviser (the Application). The Commissioner will not
24 deem Macian’s certificate surrendered until the department notifies Macian that the Application has
25 been accepted. The 30-day surrender period shall commence on the effective date of the Settlement
26 Agreement.

27 5. Revivor. Macian acknowledges that the California secretary of state suspended
28 Macian’s powers, rights, and privileges on June 9, 2017, under the provisions of the California

1 Revenue and Taxation Code, and Macian’s powers, rights, and privileges remain suspended.
2 Macian agrees to obtain a revivor of its powers, rights, and privileges from the California secretary
3 of state within the 30-day surrender period. Macian shall provide the Commissioner with a copy of
4 its certificate of revivor within the 30-day surrender period.

5 6. Revocation of Macian’s License. Macian agrees that if it fails to make the Payment
6 as required by paragraph 3., above, or fails to surrender its investment adviser certificate to the
7 Commissioner within the 30-day surrender period as required by paragraph 4., above, or it fails to
8 obtain the revivor as required by paragraph 5., above, the Commissioner shall automatically revoke
9 Macian’s investment adviser certificate and any rights to a hearing regarding the license revocation
10 and to any reconsideration, appeal, or other rights which may be afforded under the CSL, the
11 Administrative Procedure Act (APA) (Gov. Code, § 11340 et seq.), the Code of Civil Procedure
12 (CCP) (Code Civ. Proc., § 1 et seq.), or any other provision of law in connection therewith are
13 waived. Macian further expressly waives any requirement for the filing of an accusation under
14 Government Code section 11415.60, subdivision (b), in connection with the Commissioner’s
15 revocation of its investment adviser certificate under this paragraph.

16 7. Suspension Order. Macian agrees that the suspension of its investment adviser
17 certificate will continue from February 22 until the Commissioner accepts Macian’s surrender or
18 the revocation of Macian’s license, whichever period is longer. A copy of the Commissioner’s
19 February 22 Suspension Order is attached and incorporated herein as Exhibit A.

20 8. Waiver of Hearing Rights. Macian acknowledges its right to an administrative
21 hearing under the CSL in connection with the Suspension Order, and hereby waives its right to a
22 hearing and to any reconsideration, appeal, or other rights which may be afforded it under the CSL,
23 APA, CCP, or any other provision of law in connection with this matter.

24 9. Processing of Surrender. The Commissioner agrees to process the Application in an
25 expeditious manner, which shall include prompt notice to Macian of any deficiency in the
26 completeness of the Application.

27 10. Full and Final Settlement. The parties hereby acknowledge and agree that the
28 Settlement Agreement is intended to constitute a full, final, and complete resolution of this matter

1 and that no further proceedings or actions will be brought by the Commissioner in connection with
2 this matter, either under the CSL or any other provision of law, excepting any proceeding to
3 enforce compliance with the terms of the Settlement Agreement.

4 11. Information Willfully Withheld. The Settlement Agreement may be revoked, and
5 the Commissioner may pursue any and all remedies under the CSL against Macian if the
6 Commissioner discovers Macian knowingly or willfully withheld information used for and relied
7 upon in the Settlement Agreement.

8 12. Future Actions by Commissioner. If Macian fails to comply with any term of the
9 Settlement Agreement, the Commissioner may institute proceedings for any and all violations
10 otherwise resolved under the Settlement Agreement. The Commissioner reserves the right to bring
11 any future actions against Macian or any of its managers, members, officers, directors, employees,
12 or successors for any and all unknown violations of the CSL.

13 13. Assisting Other Agencies. The parties further acknowledge and agree that nothing in
14 the Settlement Agreement shall limit the Commissioner's ability to assist any other agency (city,
15 county, state, or federal) with any prosecution, administrative, civil, or criminal, brought by any
16 such agency against Macian or any other person based upon any of the activities alleged in this
17 matter or otherwise.

18 14. Binding. The Settlement Agreement is binding on all heirs, assigns, or successors in
19 interest.

20 15. Independent Legal Advice. Each of the parties represents, warrants, and agrees that
21 they have received independent advice from their attorney(s) or representative(s) with respect to
22 the advisability of executing the Settlement Agreement.

23 16. Counterparts. The parties agree that the Settlement Agreement may be executed in
24 one or more separate counterparts, each of which shall be deemed an original when so executed.
25 Such counterparts shall together constitute and be one and the same instrument.

26 17. Waiver, Modification, and Qualified Integration. The waiver of any provision of the
27 Settlement Agreement shall not operate to waive any other provision set forth herein. No waiver,
28 amendment, or modification of the Settlement Agreement shall be valid or binding to any extent

1 unless it is in writing and signed by all the parties affected by it.

2 18. Headings and Governing Law. The headings to the paragraphs of the Settlement
3 Agreement are inserted for convenience only and will not be deemed a part hereof or affect the
4 construction or interpretation of the provisions hereof. The Settlement Agreement shall be
5 construed and enforced in accordance with and governed by California law.

6 19. Full Integration. Each of the parties represents, warrants, and agrees that in
7 executing the Settlement Agreement they have relied solely on the statements set forth herein and
8 the advice of their own counsel. Each of the parties further represents, warrants, and agrees that in
9 executing the Settlement Agreement they have placed no reliance on any statement, representation,
10 or promise of any other party, or any other person or entity not expressly set forth herein, or upon
11 the failure of any party or any other person or entity to make any statement, representation, or
12 disclosure of anything whatsoever. The parties have included this clause (1) to preclude any claim
13 that any party was in any way fraudulently induced to execute the Settlement Agreement and (2) to
14 preclude the introduction of parol evidence to vary, interpret, supplement, or contradict the terms
15 of the Settlement Agreement.

16 20. No Presumption Against Drafting Party. In that the parties have had the opportunity
17 to draft, review, and edit the language of the Settlement Agreement, no presumption for or against
18 any party arising out of drafting all or any part of the Settlement Agreement will be applied in any
19 action relating to, connected to, or involving the Settlement Agreement. Accordingly, the parties
20 waive the benefit of Civil Code section 1654 and any successor or amended statute, providing that
21 in cases of uncertainty, language of a contract should be interpreted most strongly against the party
22 that caused the uncertainty to exist.

23 21. Effect Upon Future Proceedings. If Macian applies for any certificate, license,
24 permit, or qualification under the Commissioner's current or future jurisdiction, or is the subject of
25 any future action by the Commissioner to enforce the Settlement Agreement, then the subject
26 matter hereof shall be admitted for the purpose of such application(s) or enforcement
27 proceeding(s).

28 22. Voluntary Agreement. Macian enters into the Settlement Agreement voluntarily and

1 without coercion and acknowledges that no promises, threats, or assurances have been made by the
2 Commissioner, or any officer or agent thereof, about the Settlement Agreement.

3 23. Effective Date. The Settlement Agreement shall become final and effective once
4 signed by all parties and delivered by the Commissioner's agent via e-mail to Macian's
5 representative at jadine.hodgen@icloud.com (the effective date).

6 24. Notice. Any notices required under the Settlement Agreement shall be provided to
7 each party at the following addresses:

8 If to Macian to: Jadine Wong-Hodgen
9 Macian Wealth Management, LLC
10 2850 El Cerro Court, Suite 314
11 Carlsbad, California 92010

12 If to the Commissioner to: Blaine A. Noblett, Senior Counsel
13 Department of Financial Protection & Innovation
14 320 West 4th Street, Suite 750
15 Los Angeles, California 90013-2344

16 25. Public Record. Macian acknowledges that the Settlement Agreement is a public
17 record.

18 26. Authority to Execute. Each signatory hereto covenants that she possesses all
19 necessary capacity and authority to sign and enter into the Settlement Agreement.

20 [signature page follows]
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IN WITNESS WHEREOF, the parties hereto have approved and executed the Settlement Agreement on the dates set forth opposite their respective signatures.

MANUEL P. ALVAREZ
Commissioner of Financial Protection & Innovation

Dated: March 18, 2021

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

MACIAN WEALTH MANAGEMENT, LLC

Dated: March 16, 2021

By _____
JADINE WONG-HODGEN
Investment Adviser Representative, Managing Member,
and CIO, on behalf of Macian Wealth
Management, LLC