

1 MARY ANN SMITH
2 Deputy Commissioner
3 Attorney for Complainant

4 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
5 OF THE STATE OF CALIFORNIA

| | | |
|--------------------------------------|---|---------------------------------|
| 6 In the Matter of: |) | CRD NUMBERS: 146602 and 5502074 |
| |) | |
| 7 THE COMMISSIONER OF FINANCIAL |) | CONSENT ORDER |
| 8 PROTECTION AND INNOVATION, |) | |
| |) | |
| 9 Complainant, |) | |
| 10 v. |) | |
| |) | |
| 11 CORNERSTONE WEALTH PARTNERS, LLC, |) | |
| 12 and EVAN GENE VANDERWEY, |) | |
| |) | |
| 13 Respondents. |) | |
| |) | |

14
15 The Commissioner of Financial Protection and Innovation (Commissioner) enters into this
16 Consent Order with Cornerstone Wealth Partners, LLC and Evan Gene Vanderwey (Cornerstone)
17 with respect to the following facts:

18 **I.**

19 **RECITALS**

- 20 A. The Commissioner is authorized to administer and enforce the provisions of the Corporate
21 Securities Law of 1968 (Corp. Code, §§ 25000 - 25707) (CSL) and the regulations promulgated
22 thereunder at title 10 of the California Code of Regulations, which includes the licensure,
23 examination, and regulation of investment advisers and broker-dealers.
- 24 B. Cornerstone Wealth Partners, LLC (CRD NO. 146602) is a Michigan limited liability
25 company with its principal place of business located at 2525 Jolly Road, Suite 200, Okemos,
26 Michigan 48864.
- 27 C. Evan Gene Vanderwey (CRD NO. 5502074) is the 100% owner, Chief Compliance Officer,
28 and investment adviser representative of Cornerstone.

1 D. Beginning in or about October 2020, Cornerstone provided investment advisory services to more
2 than five California clients.

3 E. On or about October 6, 2023, Cornerstone filed an application with the Commissioner for a
4 license to conduct business as an investment adviser in California.

5 F. Cornerstone admits to the jurisdiction of the Department of Financial Protection and
6 Innovation (Department) and it is the intention of Cornerstone and the Commissioner (Parties) to
7 resolve this matter without the necessity of a hearing and/or other litigation.

8 G. The Commissioner finds this action is appropriate, in the public interest, is necessary for the
9 protection of investors, and is consistent with the purposes fairly intended by the policies and
10 procedures of the CSL.

11 NOW, THEREFORE, for good and valuable consideration, and the terms and conditions set
12 forth herein, the Parties agree as follows:

13 **II.**

14 **TERMS**

15 1. Purpose: This Consent Order resolves the issues before the Commissioner described
16 above in a manner that avoids the expense of a hearing and other possible court proceedings, protects
17 consumers, is in the public interest, and is consistent with the purposes and provisions of the CSL.

18 2. Desist and Refrain Order: Pursuant to Corporations Code section 25532, Cornerstone
19 Wealth Partners, LLC and Evan Gene Vanderwey are hereby ordered to desist and refrain from further
20 violations of section 25230 of the Corporations Code by engaging in the investment advisory business
21 without being licensed or exempt under the CSL.

22 3. Past Due Licensing Fees: Cornerstone agrees to pay the Commissioner past due licensing
23 fees owed for the period of unlicensed investment adviser activity in the amount of \$375, which shall
24 be due within thirty days of the Effective Date of this Consent Order.

25 4. Penalties: Pursuant to Corporations Code section 25252, Cornerstone agrees to pay
26 \$15,000 in penalties to the Commissioner within thirty days of the Effective Date of this Consent
27 Order. The past due licensing fees and monetary penalty must be made payable in the form of a
28 cashier's check or Automated Clearing House deposit to the Department of Financial Protection and

1 Innovation and transmitted to the attention of Accounting – Litigation, at the Department of Financial
2 Protection and Innovation, 2101 Arena Boulevard, Sacramento, California 95834. Notice of the
3 payment must be concurrently sent to Alla Karpuk via email alla.karpuk@dfpi.ca.gov.

4 5. Licensure: Upon execution of the Consent Order, Cornerstone will be approved in the
5 state of California to conduct investment advisory business.

6 6. Filings: Cornerstone understand and agree that the Commissioner will file a Form U6 on
7 Investment Adviser Registration Depository (IARD) that will describe the terms of this Consent
8 Order and identify it as a regulatory action.

9 7. Waiver of Hearing Rights: Cornerstone acknowledges that the Commissioner is ready,
10 willing, and able to proceed with the filing of an administrative enforcement action on the charges
11 contained in this Consent Order. Cornerstone hereby waive the right to any hearings, and to any
12 reconsideration, appeal, or other right to review which may be afforded pursuant to the CSL, the
13 California Administrative Procedure Act, the California Code of Civil Procedure, or any other
14 provision of law Cornerstone further expressly waive any requirement for the filing of an Accusation
15 pursuant to Government Code section 11415.60 (b). By waiving such rights, Cornerstone effectively
16 consents to this Consent Order, Desist and Refrain Order becoming final.

17 8. Failure to Comply with Consent Order: Cornerstone agree that if they fail to meet any
18 requirement of this Consent Order, the Commissioner may, in addition to all other available remedies
19 she may invoke under the CSL, immediately revoke the license of Cornerstone. Cornerstone hereby
20 waive any notice and hearing rights to contest the immediate revocation which may be afforded under
21 the CSL, the California Administrative Procedure Act, the California Code of Civil Procedure, or any
22 other provision of law in connection therewith.

23 9. Information Willfully Withheld or Misrepresented: This Consent Order may be revoked
24 and the Commissioner may pursue any and all remedies available under law against Cornerstone if
25 the Commissioner discovers that Cornerstone knowingly or willfully withheld or misrepresented
26 information used for and relied upon in this Consent Order.

27 10. Future Actions by the Commissioner: If Cornerstone fail to comply with any terms of the
28 Consent Order, the Commissioner may institute proceedings for any and all violations otherwise

1 resolved under this Consent Order. The Commissioner reserves the right to bring any future actions
2 against Cornerstone, or any of its partners, owners, officers, shareholders, directors, affiliates,
3 employees, or successors for any and all unknown violations of the CSL.

4 11. Assisting Other Agencies: Nothing in this Consent Order limits the Commissioner’s
5 ability to assist any other government agency (whether city, county, state, or federal) with any
6 administrative, civil, or criminal action brought by that agency against Cornerstone or any other
7 person based upon any of the activities alleged in this matter or otherwise.

8 12. Headings: The headings to the paragraphs of this Consent Order are inserted for
9 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
10 the provisions hereof.

11 13. Binding: This Consent Order is binding on all heirs, assigns, and/or successors in
12 interest.

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

22 15. Waiver, Amendments, and Modification: No waiver, amendment, or modification of this
23 Consent Order will be valid or binding unless it is in writing and signed by each of the Parties. The
24 waiver of any provision of this Consent Order will not be deemed a waiver of any other provision. No
25 waiver by either Party of any breach of, or of compliance with, any condition or provision of this
26 Consent Order by the other Party will be considered a waiver of any other condition or provision or of
27 the same condition or provision at another time.

28

1 16. Full Integration: This Consent Order is the final written expression and the complete and
2 exclusive statement of all the agreements, conditions, promises, representations, and covenant
3 between the Parties with respect to the subject matter hereof, and supersedes all prior or
4 contemporaneous agreements, negotiations, representations, understandings, and discussions between
5 and among the Parties, their respective representatives, and any other person or entity, with respect to
6 the subject matter covered hereby.

7 17. Governing Law: This Consent Order will be governed by and construed in accordance
8 with California law. Each of the Parties hereto consents to the jurisdiction of such court, and hereby
9 irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the
10 maintenance of such action or proceeding in such court.

11 18. Counterparts: This Consent Order may be executed in one or more separate counterparts,
12 each of which when so executed, shall be deemed an original. Such counterparts shall together
13 constitute a single document.

14 19. Effect Upon Future Proceedings: If Cornerstone apply for any license, permit or
15 qualification under the Commissioner's current or future jurisdiction or are the subject of any future
16 action by the Commissioner to enforce this Consent Order, then the subject matter hereof shall be
17 admitted for the purpose of such application(s) or enforcement proceedings(s).

18 20. Voluntary Agreement: Cornerstone enters into this Consent Order voluntarily and
19 without coercion and acknowledges that no promises, threats, or assurances have been made by the
20 Commissioner or any officer, or agent thereof, about this Consent Order. The Parties each represent
21 and acknowledge that he, she, or it is executing this Consent Order completely voluntarily and
22 without any duress or undue influence of any kind from any source.

23 21. Independent Legal Advice: Each of the Parties represents, warrants, and agrees that it has
24 received or been advised to seek independent legal advice from its attorneys with respect to the
25 advisability of executing this Consent Order.

26 22. No Presumption Against Drafting Party: Each Party acknowledges that it has had the
27 opportunity to draft, review, and edit the language of this Consent Order. Accordingly, the Parties
28 intend that no presumption for or against the drafting Party will apply in construing any part of this

1 Consent Order. The Parties waive the benefit of Civil Code section 1654 as amended or
2 corresponding provisions of any successor statute, which provide that in cases of uncertainty,
3 language of a contract should be interpreted most strongly against the Party that caused the
4 uncertainty to exist.

5 23. Notice: Any notice required under this Consent Order shall be provided to each Party at
6 the following addresses:

7 To Respondent: Evan Gene Vanderwey
8 2525 Jolly Road
9 Suite 200
10 Okemos, MI 48864
11 EVAN@CORNERSTONEWEALTHPARTNERS.COM

12 To the Commissioner: Alla Karpuk
13 Department of Financial Protection and Innovation
14 Broker-Dealer/Investment Adviser Division
15 2101 Arena Boulevard
16 Sacramento, CA 95834
17 Alla.Karpuk@dfpi.ca.gov

18 24. Signatures: A fax or electronic mail signature shall be deemed the same as an original
19 signature.

20 25. Public Record: Cornerstone hereby acknowledge that this Consent Order will be a matter
21 of public record.

22 26. Effective Date: This Consent Order shall become final and effective when signed by all
23 Parties and delivered by the Commissioner’s agent by email to Cornerstone at
24 EVAN@CORNERSTONEWEALTHPARTNERS.COM.

25 ///
26 ///
27 ///
28 ///

1 27. Authority to Sign: Each signatory hereto covenants that he/she possesses all necessary
2 capacity and authority to sign and enter into this Consent Order and undertake the obligations set
3 forth herein.

4 Dated: _____, 2024

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



6
7 By _____
8 MICHAEL NELSON
9 Acting Deputy Commissioner
10 Broker-Dealer Investment Adviser

11 Dated: _____, 2024

12 By _____
13 EVAN GENE VANDERWEY, as an
14 individual and on behalf of Cornerstone
15 Wealth Partners, LLC