

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, APRIL 11, 2011

SEC'S OFFICE
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DOCUMENT CONTROL

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. SEC-2010-00001

SUMMIT WEALTH MANAGEMENT, LLC,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Division of Securities and Retail Franchising ("Division"), it is alleged that Summit Wealth Management, LLC ("Defendant"): (i) violated Securities Rule 21 VAC 5-80-200 A (16) by failing to secure a written investment advisory contract that disclosed, among other things, the correct list of services to be provided and advisory fees to be charged; and (ii) violated Securities Rule 21 VAC 5-80-170 B by failing to exercise diligent supervision over the advisory activities of its investment advisor representatives.

The State Corporation Commission ("Commission") is authorized by § 13.1-506 of the Act to revoke the Defendant's registration, by § 13.1-519 of the Act to issue temporary or permanent injunctions, by § 13.1-518 A of the Act to impose costs of investigation, by § 13.1-521 A of the Act to impose certain monetary penalties, by § 13.1-521 C of the Act to order the Defendant to make rescission and restitution, and by § 12.1-15 of the Code of Virginia to settle matters within its jurisdiction.

The Defendant neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Settlement Order.

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Commission wherein the Defendant will abide by and comply with the following terms and undertakings:

(1) In lieu of paying a penalty, the Defendant has agreed to pay restitution to the complainant in this matter in the amount of Seven Thousand Eight Hundred Fifty Dollars (\$7,850). Restitution payments shall be made in equal monthly installments of Three Hundred Twenty-seven Dollars and Eight Cents (\$327.08) and shall commence within ten (10) days after the entry of this Settlement Order. Restitution payments to the complainant shall conclude no later than twenty-four (24) months from the date of entry of this Settlement Order.

(2) The Defendant will pay to the Treasurer of the Commonwealth of Virginia, contemporaneously with the entry of this Order, the amount of One Thousand Five Hundred Dollars (\$1,500) to defray the cost of the investigation.

(3) The Defendant will forward a copy of this Settlement Order to the complainant.

(4) The Defendant will not violate the Act in the future.

The Division has recommended that the Commission accept the offer of settlement of the Defendant.

The Commission, having considered the record herein, the offer of settlement of the Defendant, and the recommendation of the Division, is of the opinion that the Defendant's offer should be accepted.

Accordingly, IT IS ORDERED THAT:

(1) The offer of the Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) The Defendant fully comply with the aforesaid terms and undertakings of this settlement;

(3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate, on account of the Defendant's failure to comply with the terms and undertakings of the settlement.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:
Michael Baumstark, President, Summit Wealth Management, LLC, 10600 Arrowhead Drive, Suite 190, Fairfax, Virginia 22030; Anand Ramana, Esquire, McGuireWoods, LLP, 1750 Tysons Boulevard, Suite 1800, McLean, Virginia 22102; and a copy shall be delivered to the Commission's Office of General Counsel and Division of Securities and Retail Franchising.

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Defendant

ADMISSION AND CONSENT

The Defendant, Summit Wealth Management, LLC, admits to the jurisdiction of the State Corporation Commission ("Commission") as to the party and subject matter hereof and, neither admitting nor denying the allegations made herein by the Division of Securities and Retail Franchising, hereby consents to the form, substance and entry of the foregoing Settlement Order.

The Defendant further states that no offer, tender, threat or promise of any kind whatsoever has been made by the Commission or any member, subordinate, employee, agent or representative thereof in consideration of the foregoing Settlement Order.

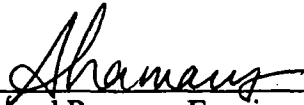
Summit Wealth Management, LLC

Date: April 7, 2011

By:


Michael Baumstark, President

Seen and Approved By:


Anand Ramana, Esquire
McGuireWoods, LLP