

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, DECEMBER 9, 2022

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COMMONWEALTH OF VIRGINIA, *ex rel.*

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STATE CORPORATION COMMISSION

v.

CASE NO. SEC-2022-00024

MICHAEL ALAN FLORIN TODD and  
ONPOINT FINANCIAL MANAGEMENT, LLC  
(f/k/a ONPOINT FINANCIAL RETIREMENT, LLC),  
Defendants

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Michael Alan Florin Todd ("Todd") and OnPoint Financial Management, LLC ("OFM"), formerly known as OnPoint Financial Retirement, LLC ("OFR") (collectively, the "Defendants"), pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

OFR was a Virginia limited liability company and Virginia registered investment advisor whose registration lapsed in 2019. OFM is a Virginia limited liability company with a principal office address at 2400 Old Brick Rd., Suite 307, Glen Allen, Virginia, 23060-5841. Todd renamed OFR to OFM in 2021. However, Todd failed to register OFM as an investment advisor. OFM, therefore, was not properly registered in Virginia as an investment advisor. Todd is the sole member and chief executive officer of OFM. Todd also was not properly registered in Virginia as an investment advisor representative of OFM.<sup>1</sup>

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<sup>1</sup> From May 30, 2018 through September 24, 2021, Todd was registered in Virginia as an investment advisor representative of IAMS Wealth Management, LLC.

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The Division alleges that Todd and OFM violated § 13.1-504 A (ii) of the Act by transacting business in Virginia as an investment advisor or investment advisor representative without being registered as required under the Act. Based on its investigation, the Division alleges that from January 18, 2021 through September 22, 2021, Todd provided investment advisory services to clients through OFM, and received payment for these services via Venmo, PayPal, and check. The Division also alleges that the Defendants provided many services to clients through verbal contracts, in violation of § 13.1-503 C of the Act. The Division additionally alleges that Todd and OFM violated Rule 21 VAC 5-80-200 B 16 of the Commission's rules regarding investment advisors, 21 VAC 5-80-10 *et seq.* ("Rules"), by entering into, extending or renewing investment advisory contracts with clients without such contracts being in writing and without disclosing, in substance, the services to be provided, and the terms of the contracts, among other things.

If any provisions of the Act or Rules are violated, the Commission is authorized by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose certain civil penalties; by § 13.1-521 C of the Act to order a defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendants neither admit nor deny the allegations made herein but admit to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

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

- (1) Within thirty (30) days of the entry of this Order, the Defendants will engage the services of and enter into a contract with an independent third-party compliance firm

("Compliance Firm"), approved by the Division, to perform annual on-site or virtual examinations of the Defendants' compliance-related activity for a period of two (2) years, ending on September 30, 2024. The Compliance Firm shall determine whether any irregularity or abuse has occurred in connection with the Defendants' business activities. The Compliance Firm shall produce a corresponding report to the Division no more than thirty (30) days after any such determination occurs. Each examination should determine Defendants' compliance with all applicable securities laws and annual and proposed amendments to the Form ADV; include a review of the Defendants' proposed advertising and marketing materials; and, at a minimum, also include:

- (a) a review of OFM's new account documentation and its process when onboarding new clients;
- (b) a review of client trading activities and correspondence; and
- (c) a review of all securities activities for Todd and/or OFM.

(2) The Defendants, contemporaneously with the entry of this Order, shall provide a copy of this Order to each of the twenty-two (22) clients from whom Todd received and retained payment for the services described above;

(3) The Defendants will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Five Thousand Dollars (\$5,000) in monetary penalties; and

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

The Division supports the Defendants' settlement offer and recommends that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be, and is hereby, accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendants shall fully comply with the terms of the 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 Defendants' failure to comply with the terms of the settlement.

A COPY hereof shall be sent by the Clerk of the Commission by electronic mail to: Todd Ratner, Esquire, Ratner Law, at [todd.ratner@ratnerplc.com](mailto:todd.ratner@ratnerplc.com), 7201 Glen Forest Drive, Suite 102, Richmond, Virginia 23226; and a copy shall be delivered to the Commission's Office of General Counsel and the Division of Securities and Retail Franchising.