

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 26, 2023

SECURITIES DIVISION
COMMONWEALTH OF VIRGINIA

COMMONWEALTH OF VIRGINIA, *ex. rel.*

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STATE CORPORATION COMMISSION

v.

CASE NO. SEC-2022-00001

MICHAEL ROBERT FINNIE,
Defendant

SETTLEMENT ORDER

The Division of Securities and Retail Franchising ("Division") of the State Corporation Commission ("Commission") conducted an investigation of Michael Robert Finnie ("Finnie" or "Defendant") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

From December 17, 2010 through February 19, 2014, and again, from February 26, 2016 through July 31, 2018 ("Relevant Period"), Finnie was employed as an investment advisor representative by Securities America Advisors, Inc., a federal covered advisor. Finnie has been a registered investment advisor representative in Virginia since May 8, 1996.

Based on its investigation, the Division alleges that during the Relevant Period, Finnie recommended that clients purchase interest in certain investments in violation of Rule 21 VAC 5-80-200 B. 1. of the Commission's rules regarding Investment Advisors, 21 VAC 5-80-10 *et seq.*, ("Rules"), applicable to investment advisor representatives, as such recommendations were not suitable for the clients. The Division alleges that in multiple instances, Finnie's clients had no prior experience investing in such securities, and the investments represented a significant portion of their assets. The Division further alleges that despite the clients having requested additional cash income from their investments, their returns

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were actually re-invested into the original securities. For these reasons, the Division alleges that Finnie did not act primarily for the benefit of his clients in these instances, as required by the Rules.

If the provisions of the Act or Rules are violated, the Commission is authorized by § 13.1-506 of the Act to revoke a defendant's registration; by § 13.1-518 A. of the Act to impose costs of investigation; by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A. of the Act to impose a civil penalty; 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 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 ("Order").

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

(1) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Twenty Thousand Dollars (\$20,000) in monetary penalty;

(2) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of One Thousand Five Hundred Dollars (\$1,500) to defray the costs of investigation in this matter; and

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

The Division supports the Defendant's offer of settlement and has recommended 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 Defendant shall fully comply with the terms of the settlement.
- (3) This 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 of the settlement.

Commissioner Patricia L. West participated in this matter.

A COPY hereof shall be sent by the Clerk of the Commission by electronic mail to: David Sensenig, Esquire, Counsel for Michael Robert Finnie, at David.Sensenig@parksensenig.com, Park Sensenig LLC, 2310 West Main Street, Richmond, Virginia 23220; 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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COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

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STATE CORPORATION COMMISSION

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CASE NO. SEC-2022-00001


MICHAEL ROBERT FINNIE,
Defendant

ADMISSION AND CONSENT


Michael Robert Finnie ("Defendant") admits to the jurisdiction of the State Corporation Commission ("Commission") as to the party and subject matter hereof. The Defendant, while 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 ("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 Order.

Date: 12 21 2022

By: 
Michael Robert Finnie

Seen by:


David Sensenig, Esquire