

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED
APR 13 2017
INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN)
DOAK, Insurance Commissioner,)
)
Petitioner,)
)
v.)
)
CETERA ADVISOR NETWORKS, LLC)
nonresident business entity insurance producer,)
)
)
Respondent.)

Case No. 17-0254-DEN

CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD

COMES NOW the State of Oklahoma, ex rel. John Doak, Insurance Commissioner, by and through his attorney, Sara A. Worten, and alleges and states as follows:

JURISDICTION

1. John Doak is the Insurance Commissioner of the State of Oklahoma and is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, *36 O.S. §§ 101 et seq.*

2. Respondent is a nonresident business entity insurance producer in the State of Oklahoma. Respondent's address of record is 200 N. Sepulveda Blvd., #1330, El Segundo, CA 90245.

3. The Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Oklahoma Producer Licensing Act and/or may levy a fine up to \$1,000.00 for each occurrence of a violation of the Oklahoma Insurance Code, *36 O.S. § 1435.13(A) and (D).*

ALLEGATIONS OF FACT

1. Respondent applied for renewal of its nonresident business entity insurance producer license on or about March 20, 2017, with the Oklahoma Insurance Department (“OID”). On the application form, the second question asks the following: “Has the business entity or any owner, partner, officer or director of the business entity, or manager or member of a limited liability company, ever been named or involved as a party in an administrative proceeding, including a Financial Industry Regulatory Authority (“FINRA”) sanction or arbitration proceeding regarding any professional or occupational license, or registration?” Respondent answered “no” to this question.

2. The application form defines being “involved” in an administrative proceeding as the following: “having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve an administrative action. ‘Involved’ also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license or registration.” ‘Involved’ also means having a license, or registration application denied or the act of withdrawing an application to avoid a denial.” Applicants may only exclude “terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.”

3. A background check conducted by the OID Licensing Division showed that Respondent had the following administrative action listed on its record: an administrative action by the Commonwealth of Massachusetts Office of the Secretary of the Commonwealth Securities Division. Respondent entered into a Consent Order on

January 27, 2017 regarding failure to register investment advisor representatives with the Commonwealth. Respondent was ordered to cease and desist, and fined One Hundred Fifty Thousand Dollars (\$150,000.00). Accordingly, Respondent did not properly disclose the aforementioned administrative action in the license application.

ALLEGED VIOLATIONS OF LAW

1. Respondent violated *36 O.S. § 1435.13(A)(1)*; providing incorrect, misleading, incomplete or materially untrue information in the license application.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner that Cetera Advisor Networks, LLC is **FINED THREE HUNDRED DOLLARS (\$300.00)** for providing incorrect, misleading, incomplete or materially untrue information in the license application. **The \$300.00 fine is to be paid within thirty (30) days** made payable to the Oklahoma Insurance Department. The \$300.00 civil fine shall be paid by money order or cashier's check. Respondent's renewal application for its nonresident business entity insurance producer license may be granted upon receipt of payment of the fine. Failure to pay the civil fine or request a hearing within thirty (30) days will result in your renewal license application being withdrawn.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless the Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of the date of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on the thirty-first day following the date of mailing this Order. A request for hearing should be in writing addressed to Sara A. Worten,


Oklahoma Insurance Department, Legal Division, 3625 NW 56th St., Suite 100, Oklahoma City, Oklahoma 73112. The request for hearing must state the grounds for the request to set aside or modify the Order.

Any such hearing shall be conducted according to the procedures for contested cases under the Insurance Code *36 O.S. §§ 101 et seq.* and *75 O.S. § 250-323*. If the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as notice of the matters to be reviewed at the hearing, and the Allegations of Fact, Alleged Violations of Law, and penalties imposed in this Conditional Order shall be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this 13th day of April, 2017.



JOHN DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA


Sara A. Worten
Assistant General Counsel
3625 NW 56th St., Suite 100
Oklahoma City, OK 73112
405-521-2746

CERTIFICATE OF MAILING


I, Sara A. Worten, hereby certify that a true and correct copy of the above and foregoing Conditional Administrative Order and Notice of Right to be Heard was mailed by certified mail, with postage prepaid and return receipt requested, on this 13th day of April, 2017, to:

David Kim
Counsel
Cetera Advisor Networks, LLC
200 N. Sepulveda Blvd.
#1300
El Segundo, CA 90245

CERTIFIED MAIL NO. 7016 0910 0000 8401 3963

and a copy was delivered to:

Lorie Jones
Licensing Division



Sara A. Worten
Assistant General Counsel

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee
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Extra Services & Fees (check box, add fee as appropriate)

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Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage
 \$ _____

Total Postage and Fees
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Sent To

Street and Apt. No., or PO Box

City, State, ZIP+4®

David Kim, Counsel
 Cetera Advisor Networks, LLC
 200 N. Sepulveda Blvd., #1300
 El Segundo, CA 90245
17-0254-DIS/SAW(mt)
(Cond.Adm.Ord. & Notice ~4-13-17)



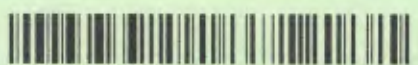
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 0910 0000 8401 3963

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 David Kim, Counsel
 Cetera Advisor Networks, LLC
 200 N. Sepulveda Blvd., #1300
 El Segundo, CA 90245
17-0254-DIS/SAW(mt)
(Cond.Adm.Ord. & Notice ~4-13-17)



9590 9402 2617 6336 1430 28

2. Article Number (Transfer from service label)
7016 0910 0000 8401 3963

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X *E. Mon* Agent
 Addressee

B. Received by (Printed Name) C. Date of Delivery
E. Mon *4/17/17*

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
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 - Adult Signature Restricted Delivery
 - Certified Mail®
 - Certified Mail Restricted Delivery
 - Collect on Delivery
 - Collect on Delivery Restricted Delivery
 - Insured Mail
 - Insured Mail Restricted Delivery (over \$500)
 - Priority Mail Express®
 - Registered Mail™
 - Registered Mail Restricted Delivery
 - Return Receipt for Merchandise
 - Signature Confirmation™
 - Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt