



STATE OF MISSOURI  
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF: )  
 )  
THRASHER & CHAMBERS WEALTH )  
MANAGEMENT, LLC, CRD# 293532, ) Case No.: AP-24-07  
 )  
Respondent. )

**CONSENT ORDER**

1. The Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“**Enforcement Section**”), through Enforcement Counsel William F. H. Dunker, alleges that from December 14, 2020 to January 18, 2024 (“**Relevant Period**”), Respondent Thrasher & Chambers Wealth Management, LLC (“**T&C**” or the “**Firm**”) transacted business as an investment adviser (“**IA**”) in Missouri without being registered or exempt from registration, in violation of Section 409.4-403(a) of the Missouri Securities Act (the “**Act**”)¹, and employed and/or associated with individuals who were required to be registered in Missouri as investment adviser representatives (“**IARs**”), in violation of Section 409.4-403(d). The Enforcement Section alleges that these actions constitute sufficient grounds for the Missouri Commissioner of Securities (“**Commissioner**”) to discipline Respondent in accordance with Section 409.6-604.
2. Respondent and the Enforcement Section desire to settle the allegations raised in this matter by the Enforcement Section relating to the alleged violations of Sections 409.4-403(a) and (d).

**CONSENT TO JURISDICTION**

3. Respondent and the Enforcement Section stipulate and agree that the Commissioner has jurisdiction over Respondent and this matter pursuant to the Missouri Securities Act of 2003, Chapter 409, *et seq.*
4. Respondent and the Enforcement Section stipulate and agree that the Commissioner has authority to enter this Order pursuant to Section 409.6-604(h), which provides:

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¹ Unless otherwise indicated, statutory citations refer to the 2016 edition of the Revised Statutes of Missouri, updated by the 2023 Cumulative Supplement.

“The commissioner is authorized to issue administrative consent orders in the settlement of any proceeding in the public interest under this act.”

#### WAIVER AND EXCEPTION

5. Respondent waives any right to a hearing with respect to this matter.
6. Respondent waives any rights that it may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order. Respondent specifically forever releases and holds harmless the Missouri Office of the Secretary of State, Secretary of State, Commissioner, and their respective representatives and agents from any and all liability and claims arising out of, pertaining to, or relating to this matter.
7. Respondent stipulates and agrees with the Enforcement Section that, should the facts contained herein prove to be false or incomplete, the Enforcement Section reserves the right to pursue any and all legal or administrative remedies at its disposal.

#### CONSENT TO COMMISSIONER’S ORDER

8. Respondent and the Enforcement Section stipulate and agree to the issuance of this Consent Order without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein.
9. Respondent agrees not to take any action or to make or permit to be made any public statement creating the impression that this Order is without factual basis. Nothing in this paragraph affects Respondent’s (a) testimonial obligations; (b) right to take legal or factual positions in defense of litigation or in defense of other legal proceedings in which the Commissioner is not a party; or (c) right to make public statements that are factual.
10. Respondent agrees that it is not the prevailing party in this action since the parties have reached a good faith settlement.
11. Respondent neither admits nor denies the allegations made by the Enforcement Section or the Findings of the Commissioner, but consents to the Commissioner’s Findings of Fact, Conclusions of Law, and Order as set forth below solely for the purposes of resolving this proceeding and any proceeding that may be brought to enforce the terms of this Consent Order, and for no other purpose.

#### THE COMMISSIONER’S FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

##### I. FINDINGS OF FACT

##### A. Respondent

12. **Thrasher & Chambers Wealth Management, LLC** is an Arkansas-based IA with a principal address at 1110 SE 28<sup>th</sup> Street, Suite 10, Bentonville, Arkansas 72712. T&C is

registered in the Central Registration Depository (“CRD”) with number 293532. Despite being a registered IA in Arkansas, T&C has never been registered as an IA in Missouri. T&C has been a registered IA in the State of Arkansas since April 23, 2018, and has no prior disciplinary actions.

B. Facts

1. Initial Applications for IA and IAR Registration

13. Section 409.4-403(a) provides in relevant part,

It is unlawful for a person to transact business in this state as an investment adviser unless the person is registered under this act as an investment adviser or is exempt from registration as an investment adviser under subsection (b).

14. Section 409.4-403(b)(2) provides

The following persons are exempt from the registration requirements of subsection (a):

...(2) A person without a place of business in this state if the person has had, during the preceding twelve months, not more than five clients that are resident in this state<sup>2</sup> ...[.]

15. T&C initially filed an incomplete application for IA registration with the Missouri Securities Division (“**Division**”) on June 2, 2021. Given the incomplete nature of the Firm’s application, the Commissioner issued a summary suspension order the next day, pending receipt of the Firm’s remaining application materials. The Division mailed the summary suspension order, accompanied by a deficiency letter, to the Firm’s then-current address on CRD.

16. For more than a year following the date of the summary suspension order, the Firm did not follow up with the Division to cure the deficiencies with its IA application.

17. The Division contacted the Firm via two separate emails—one sent in April 2023, to which the Firm did not respond, the other sent in May 2023—to inquire whether the Firm intended to abandon its application.

18. The Firm responded to the second email and re-engaged in the IA application process.

19. Section 409.4-403(d) provides in relevant part,

It is unlawful for an investment adviser to employ or associate with an individual required to be registered under this act as an investment

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<sup>2</sup> The exemption provided under Section 409.4-403(b)(2) shall be referred to hereinafter as the “De Minimis Exemption.”

adviser representative who transacts business in this state on behalf of the investment adviser unless the individual is registered under section 409.4-404(a) ....

20. In connection with the re-initiation of the Firm's IA application in Missouri, the Division also received IAR applications for two of the Firm's employees/associates ("**Employee #1**" and "**Employee #2**"), both of whom already were registered IARs in Arkansas. The two Missouri IAR applications were filed on May 30, 2023.

## 2. The Examination Section's Pre-Registration Examination of the Firm

21. As part of the Division's standard and customary review process of a firm's application for IA registration, the Examinations Section of the Missouri Securities Division ("**Examinations Section**") conducts a pre-registration examination of the applicant. The Examinations Section began its pre-registration exam for T&C on July 18, 2023.
22. Given the amount of time that the Firm's IA registration application sat incomplete and idle, from June 3, 2021 to roughly May 23, 2023, the Examinations Section issued the Firm a letter ("**July 2023 Letter**") inquiring, among other things, into the number, if any, of Missouri-resident accounts with which the Firm was providing investment advisory services.
23. According to the information provided to the Examinations Section in response to the July 2023 Letter, T&C appeared to have exceeded the threshold of the De Minimis Exemption sometime in the second quarter of 2021.
24. To confirm the Firm's Missouri-resident data, the Examinations Section made a written request for similar data from T&C's custodians.
25. The Examinations Section's review of the records provided by the Firm's custodians confirmed that T&C had not only exceeded the threshold of the De Minimis Exemption but that the Firm appeared to have breached the threshold of the De Minimis Exemption several months earlier than what the Firm had disclosed in its response to the July 2023 Letter. The custodians' records also appeared to show that the Firm was providing investment advisory services to a larger number of Missouri-resident clients than what the Firm had disclosed in its response to the July 2023 Letter.
26. Upon confirming a potential violation of Section 409.4-403(a) based on its review of the evidence collected, the Examinations Section referred the matter to the Enforcement Section for further investigation and resolution.

## 3. The Enforcement Section's Investigation

27. The Enforcement Section's in-depth review of the Missouri-resident client accounts provided by T&C's custodians identified the following:
  - a. On December 7, 2018, the Firm on-boarded its first Missouri-resident client ("**MR1**");

- b. From June 7, 2019 to July 14, 2020, the Firm on-boarded four additional Missouri-resident clients (“MR2”, “MR3”, “MR4”, and “MR5”, respectively); and
  - c. On December 14, 2020, the Firm on-boarded its sixth Missouri-resident client (“MR6”).
28. At no time during the next five months, from December 14, 2020 to June 2, 2021 (“**Pre-Application Period**”), did the Firm—despite continuing to transact business as an investment adviser (as that term is defined in Section 409.1-102(15)) with at least six Missouri-resident clients—apply for IA registration with the Division.
29. At no time during the Pre-Application Period did the individuals employed by or associated with the Firm—despite continuing to transact business as IARs (as that term is defined in Section 409.1-102(16)) with Missouri-resident clients—apply for IAR registration with the Division.
30. Further, even after submitting its application for IA registration to the Division, the Firm continued to transact business as an IA with at least six Missouri-resident clients from June 3, 2021 to January 18, 2024 (“**Post-Application Period**”), when it knew or should have known that its IA application was not approved and still pending with the Division.
31. The individuals employed by or associated with the Firm also continued to transact business as IARs with Missouri-resident clients during the Post-Application Period when they knew or should have known that their IAR applications were not approved and still pending with the Division.
32. According to the records of the custodians, T&C collected a total of \$59,764.98 in advisory fees from Missouri-resident client accounts during the Relevant Period.

### C. Alleged Violations

33. The Enforcement Section alleges that the failure by T&C, during the Relevant Period, to register as an IA in Missouri violated Section 409.4-403(a) of the Act, which makes it unlawful for a person to transact business in Missouri as an IA unless the person is registered or exempt from registration under the Act.
34. The Enforcement Section alleges that T&C’s association with Employee #1 and Employee #2, during the Relevant Period, violated Section 409.4-403(d) of the Act, which makes it unlawful for an IA to employ or associate with an individual required to be registered under the Act as an IAR who transacts business in Missouri on behalf of the IA unless the individual is registered or exempt from registration under the Act.
35. The Enforcement Section alleges that these actions by the Firm constitute sufficient grounds for the Commissioner to impose a sanction on Respondent in accordance with Section 409.6-604.

## II. CONCLUSIONS OF LAW

36. **THE COMMISSIONER CONCLUDES** that, during the Relevant Period, Respondent transacted business in Missouri as an investment adviser for the accounts of at least six Missouri-resident clients.
37. **THE COMMISSIONER CONCLUDES** that, during the Relevant Period, Respondent's failure to register as an investment adviser under the Act violated Section 409.4-403(a).
38. **THE COMMISSIONER CONCLUDES** that, during the Relevant Period, Employee #1 and Employee #2 unlawfully transacted business in Missouri as investment adviser representatives, in violation of 409.4-404(a).
39. **THE COMMISSIONER CONCLUDES** that, during the Relevant Period, Respondent's employment of or association with Employee #1 and Employee #2 violated Section 409.4-403(d).
40. **THE COMMISSIONER CONCLUDES** that the violations above are sufficient to issue an order in accordance with Section 409.6-604.
41. The Commissioner, after consideration of the stipulations set forth above and on consent of Respondent and the Enforcement Section, finds and concludes that the Commissioner has jurisdiction over Respondent in this matter and that the following order is in the public interest, necessary for the protection of public investors, and consistent with the purposes intended by Chapter 409.

## III. ORDER

**NOW, THEREFORE**, it is hereby Ordered that:

42. Respondent shall pay \$29,000 to the Missouri Secretary of State's Investor Education and Protection Fund for violating Sections 409.4-403(a) and (d). **This amount is due upon execution of this Order by Respondent and shall be made payable to the Missouri Secretary of State's Investor Education and Protection Fund** and sent to the Missouri Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101;
43. Respondent, their agents and employees, and all other persons participating in the above-described alleged violations with knowledge of this Order, are permanently enjoined and restrained from engaging in conduct and/or activities subject to discipline under Sections 409.4-403(a) and (d); and
44. Respondent shall pay its own costs and attorneys' fees with respect to this matter.

**SO ORDERED:**

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,  
MISSOURI THIS 3 DAY OF May, 2024.



JOHN R. ASHCROFT  
SECRETARY OF STATE

A handwritten signature in blue ink, appearing to read "John R. Ashcroft", written over a horizontal line.

DOUGLAS M. JACOBY  
COMMISSIONER OF SECURITIES

Consented to by:

THE MISSOURI SECURITIES DIVISION

A handwritten signature in blue ink, appearing to read "William F. H. Dunker", written over a horizontal line.

William F. H. Dunker  
Enforcement Counsel

RESPONDENT

A handwritten signature in blue ink, appearing to read "Mark W. Chambers", written over a horizontal line.

Thrasher & Chambers Wealth Management, LLC  
CRD #293532  
Mark W. Chambers, Owner/Manager