



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
SUMMIT WEALTH STRATEGIES, LLC OF)
ST. LOUIS, CRD No. 171314; and)
BRENT SPICUZZA, CRD No. 4134728,)
) Case No. AP-15-51
Respondents.)

CONSENT ORDER

SUMMARY OF ENFORCEMENT SECTION’S ALLEGATIONS

1. The Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“Enforcement Section”), through Enforcement Counsel Scott Snipkie, has alleged that Respondent Brent Spicuzza (“Spicuzza”) violated Sections 409.4-406, 409.4-411 and 409.4-412, RSMo. (Cum. Supp. 2013)¹ by, among other things: (a) failing to report outside business activities to AXA Advisors, LLC, Spicuzza’s affiliated broker-dealer and investment adviser; (b) filing false information with Missouri on the application for Investment Adviser Registration (Form ADV) for Summit Wealth Strategies, LLC of St. Louis (“SWSSL”); (c) filing false information with Missouri on corporation registration documents for Summit Wealth Strategies II, LLC (“SWSII”); (d) failing to update Spicuzza’s U4 filings with respect to Spicuzza’s association with SWSII and SWSSL; and (e) failing to update his U-4 filing in a timely manner with respect to Spicuzza’s association with The Planning Associates, LLC. In addition, the Enforcement Section has alleged that Respondent Summit Wealth Strategies, LLC of St. Louis violated Sections 409.4-403, 409.4-411 and 409.4-412 by, among other things, failing to have an investment adviser representative registered in Missouri since September 1, 2015, and filing a materially false application for registration as an investment advisor. These violations constitute grounds to issue an order pursuant to Section 409.6-604.
2. Respondents and the Enforcement Section desire to settle the allegations and the matters raised by the Enforcement Section relating to the Respondent’s alleged violations of Sections 409.4-403, 409.4-406, 409.4-411 and 409.4-412.

¹ Unless otherwise noted, all statutory references are to the 2013 cumulative supplement to the Revised Statutes of Missouri.

CONSENT TO JURISDICTION

3. Respondents and the Enforcement Section stipulate and agree that the Missouri Commissioner of Securities (“Commissioner”) has jurisdiction over the Respondents and these matters pursuant to the Missouri Securities Act of 2003, Chapter 409, *et seq.*
4. Respondents 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:

“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. Respondents waive Respondents’ rights to a hearing with respect to this matter.
6. Respondents waive any rights that Respondents may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order. Respondents specifically forever release and hold harmless the Missouri Office of 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. Respondents stipulate and agree with the Enforcement Section that, should the facts contained herein prove to be false or incomplete in a material way, the Enforcement Section reserves the right to pursue any and all legal or administrative remedies at its disposal.

CONSENT TO COMMISSIONER’S ORDER

8. Respondents 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. Respondents agree 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 Respondents’ (a) testimonial obligations; (b) right to take legal or factual positions in connection with litigation, arbitration, or other legal proceeding in which the Commissioner is not a party; or (c) right to make public statements that are factual.
10. Respondents agree that Respondents are not the prevailing party in this action since the parties have reached a good faith settlement.

11. Respondents neither admit nor deny the allegations made by the Enforcement Section, 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.

COMMISSIONER'S FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND ORDER

I. FINDINGS OF FACT

1. Spicuzza is a Missouri resident with an address of 13348 Conway, Town and Country, Missouri, 63141. At all times relevant, Spicuzza was registered as a broker-dealer agent and investment adviser representative with AXA Advisors, LLC ("AXA"), Central Registrations Depository ("CRD") number 6627. Spicuzza is registered in Missouri through the CRD with number 4134728.
2. The Planning Associates, LLC ("TPA") is a Missouri Limited Liability Company organized in the state of Missouri on December 1, 2005. Its registered agent is Ronald E. Rucker, 120 South Central Avenue, Suite 1800, St. Louis, Missouri, 63105.
3. BEGS Investments, LLC ("BI") is a Missouri Limited Liability Company organized in the state of Missouri on June 11, 2008. Its registered agent is Brent Spicuzza, 16020 Swingley Ridge Road, Suite 110, Chesterfield, Missouri, 63017.
4. Summit Wealth Strategies, LLC ("SWS") is a Missouri Limited Liability Company organized in the state of Missouri on May 21, 2010. Its registered agent is Michael G. Ott, 16020 Swingley Ridge Road, Suite 225, Chesterfield, Missouri, 63017.
5. Summit Wealth Strategies II, LLC ("SWSII") is a Missouri Limited Liability Company organized in the state of Missouri on August 20, 2012. Its registered agent is Brent Spicuzza, 13348 Conway Road, St. Louis, Missouri, 63141.
6. Summit Wealth Strategies, LLC of St. Louis ("SWSSL") is a Missouri Limited Liability Company organized in the state of Missouri on April 9, 2014. Its registered agent is Sherry Zink, 13348 Conway Road, St. Louis, Missouri, 63141. A check of the records maintained by the Commissioner indicates that SWSSL's registration as an Investment Advisory firm was approved on August 18, 2014. A check of the CRD indicates that SWSSL is assigned number 171314.
7. SWS-STL, LLC is a Missouri Limited Liability Company organized in the state of Missouri on November 30, 2015. Its registered agent is Brent Spicuzza, 16020 Swingley Ridge Road, Suite 110, Chesterfield, Missouri, 63107.

8. On November 18, 2015, representatives from the Audit Section of the Missouri Securities Division conducted an unannounced, for cause examination of Summit Wealth Strategies, LLC of St. Louis (“SWSSL”). The exam was unannounced due to SWSSL not having a registered investment adviser representative since September 1, 2015, and concerns about possible unregistered activity at that location. Spicuzza is listed as “Managing Member” on Schedule A of SWSSL’s Form ADV. Spicuzza did not file a Form U-4 with SWSSL until November 19, 2015. That application is currently deficient for dual registration.
9. During the examination and interview of Spicuzza, the Audit Section discovered, among other things:
 - a. that SWSSL was a company set up by Red Oak Compliance, a Texas company, at the behest of Spicuzza;
 - b. that Spicuzza and some of his coworkers at AXA were planning to leave AXA and work at SWSSL;
 - c. that SWSSL would eventually leave state registration and obtain SEC registration “soon”;
 - d. That Spicuzza did not report SWSSL to AXA as an OBA;
 - e. that Red Oak Compliance did all the required filings for SWSSL for a fee paid by Spicuzza; and,
 - f. that Spicuzza filed a Balance Sheet along with other paperwork to register SWSSL on April 28, 2014. Spicuzza indicated on the balance sheet “*I certify this financial statement is true and accurate to the best of my knowledge.*” Spicuzza told the audit personnel that the balance sheet actually represented his personal assets and not that of SWSSL. Spicuzza acknowledged that he understood that SWSSL was a separate and distinct legal entity from Spicuzza personally.
10. On November 19, 2015, a member of the Audit Section telephoned Nora Tronto (“Tronto”) with AXA Advisors, LLC. Tronto confirmed that AXA was unaware of Spicuzza’s OBA with SWSSL. Furthermore, Tronto indicated that Spicuzza didn’t indicate any new OBA’s at an annual compliance meeting in September 2015. Finally, Tronto said that Spicuzza had resigned from AXA November 19, 2015. As a result of Spicuzza failing to report an OBA, Tronto said that AXA would conduct an investigation before filing Spicuzza’s U5 and would forward documents to the Audit and Enforcement Section.

November 23, 2015 Spicuzza Letter to Mo. Securities

11. Spicuzza sent a letter to the Missouri Securities Division dated November 23, 2015, in which Spicuzza states:

“Summit Wealth Strategies, LLC of St. Louis (“Summit”) is a Registered Investment Adviser. I, Brent Spicuzza, will be the designated principal and/or officer for Summit. I am corresponding to make the following attestations pursuant to the State of Missouri Securities Administrative Rules, 15 CSR 30-50.010(3):

- 1. I have resigned from AXA effective November 19, 2015. I will not be dually registered with any broker-dealer and Summit.*
- 2. I affirm that there will be no conflicts of interest since I will not be dually registered; and*
- 3. I affirm that there will be no need to disclose any dual registration to prospective customers.”*

AXA Investigation and Documents

12. AXA provided documentation revealing that from November 8, 2000, to June 17, 2014, Spicuzza received at least 23 letters of reprimand and/or correction for violating various AXA policies.
13. AXA had no knowledge of Spicuzza’s activities with respect to Summit Wealth Strategies II, LLC, which was formed on August 20, 2012 with Spicuzza listed as the Registered Agent. Listed as organizers were AXA representatives:
 - a. Michael Ott (“Ott”);
 - b. Peter Donovan (“Donovan”); and
 - c. Mark Caticchio (“Caticchio”).
14. AXA contacted Ott, Donovan, and Caticchio and learned all three men had no knowledge that Spicuzza had formed Summit Wealth Strategies II, LLC. Spicuzza never reported Summit Wealth Strategies II, LLC as an OBA to AXA or updated his Form U-4.

Spicuzza Letter to AXA Regarding Summit Wealth Strategies II, LLC

15. On or about December 3, 2015, Spicuzza emailed a letter to AXA explaining the reasoning behind the creation of Summit Wealth Strategies II, LLC:

“Recently it’s come to my attention there is a LLC established in the state of MO titled SWS LLC II. This LLC was set up for naming rights only; to protect the SWS LLC brand from anyone or entity from purchasing a like-named corporation. This process was completed solely by me (Brent Spicuzza) and w/o anyone’s knowledge or participation. This corporation has never and will never have any clients, revenue, investment advisory business, etc.”

Spicuzza OTR, December 10, 2015

16. On December 10, 2015, the Enforcement Section conducted an on-the-record interview

with Spicuzza. Spicuzza told the Enforcement Section, among other things:

- a. Summit Wealth Strategies, LLC is the “current LLC that we market under-or I market under with the broker-dealer.” (p. 67);
- b. BEGS Investments, LLC was described by Spicuzza as a “small office condo that I rented out to an individual.” (p. 66);
- c. Summit Wealth Strategies II, LLC was formed “to protect Summit Wealth Strategies in case someone wanted to piggyback off the name or something.” With regard to the listed organizers listed on the business filing for Summit Wealth Strategies II, LLC, Spicuzza acknowledged they were not aware that Spicuzza had organized this LLC. (p. 75)
- d. With regard to Summit Wealth Strategies, LLC of St. Louis, Spicuzza acknowledged that the ownership code listing Spicuzza at less than 5% was incorrect and Spicuzza blamed the error on Red Oak Compliance since they completed the filing; (p. 85);
- e. the intent of creating SWS-STL, LLC was to merge Summit Wealth Strategies, LLC of St. Louis into SWS-STL, LLC;
- f. Spicuzza stipulated that Spicuzza failed to report Summit Wealth Strategies II, LLC and Summit Wealth Strategies, LLC of St. Louis to AXA as OBAs as required by AXA policies (p. 93-99)
- g. Spicuzza stipulated that Spicuzza failed to update his U-4 filings to report Summit Wealth Strategies II, LLC and SWS-STL, LLC as OBAs and further stipulated that Spicuzza failed to report in the U4 in a timely manner The Planning Associates, LLC as an OBA (p. 93-99). Spicuzza described the failure to report the OBAs by saying “It was a mistake.” (p. 100);
- h. With regard to the balance sheet submitted as part of registering Summit Wealth Strategies, LLC of St. Louis as an IARD, Spicuzza confirmed the balance sheet depicted Spicuzza’s personal assets and not that of the business. When asked why Spicuzza submitted his personal balance sheet, Spicuzza advised Red Oak Compliance told him to; and
- i. Spicuzza has paid a total of \$16,000 to Red Oak Compliance and has received a refund of the total amount due to mistakes made by Red Oak Compliance.

II. CONCLUSIONS OF LAW

17. The Commissioner finds Respondent Spicuzza failed timely to amend Form U-4 to disclose outside business activities on multiple occasions and caused to be filed an application with the Commissioner that was materially false, and that this course of conduct constitutes grounds to discipline Respondent pursuant to Sections 409.4-406, 409.4-411 and 409.4-412.
18. The Commissioner finds Respondent Summit Wealth Strategies, LLC of St. Louis failed to have an investment adviser representative registered and filed an application with the Commissioner that was materially false, and that this course of conduct constitutes grounds to discipline Respondent pursuant to Sections 409.4-403, 409.4-411 and 409.4-412.
19. The Commissioner, after consideration of the stipulations set forth above and on the consent of Respondents and the Enforcement Section, finds and concludes that the Commissioner has jurisdiction over Respondents and 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:

1. Respondent Spicuzza is ordered to pay \$15,000 to the Investor Education and Protection Fund for violations of the Missouri Securities Act. Such payment shall be sent within 30 days of the effective date of this Consent Order to the Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101, and shall be payable to the Missouri Secretary of State's Investor Education and Protection Fund. The Division will send the money to the Missouri Secretary of State's Investor Education and Protection Fund;
2. Upon registration as an investment adviser representative in the State of Missouri, the Chief Compliance Officer of the investment adviser that employs Respondent Spicuzza will place Respondent Spicuzza on heightened supervision. Respondent Spicuzza's period of heightened supervision will commence upon the date his registration is finalized and accepted by the State of Missouri and will conclude one year from that date. The Chief Compliance Officer of the investment adviser that employs Respondent Spicuzza personally will supervise Respondent Spicuzza;
3. During the period of Respondent Spicuzza's heightened supervision, the investment adviser that employs him will utilize the services of an outside entity to supplement extant firm compliance policies;
4. Respondent Spicuzza is disqualified from exercising any supervisory authority or employment in any supervisory roles during the period of his registration with the State of Missouri;

5. By February 2, 2016, or within 45 days of registering with the State should Respondent Spicuzza fail to register by February 2, 2016, Respondent Spicuzza's firm will employ an on-site Chief Compliance Officer who has been found to be acceptable to the Commissioner to oversee compliance with the terms of Paragraphs 2, 3 and 4 of Section III of this Consent Order;
6. Upon Respondent Spicuzza's failure to comply with the terms of this Consent Order, an additional payment of \$15,000 to the Investor Education and Protection Fund will apply. Such additional payment will be due within 30 days of discovery of Respondent Spicuzza's non-compliance with the Consent Order, and it shall be made in accordance with the terms of Paragraph 1 of Section III above;
7. Respondent Summit Wealth Strategies, LLC of St. Louis has filed Form ADV-W voluntarily withdrawing its registration as an investment adviser in the State of Missouri, and Respondent Summit Wealth Strategies, LLC of St. Louis shall not file or effect the re-filing of to reinstitute its registration as an investment adviser;
8. Upon Respondent Summit Wealth Strategies, LLC of St. Louis' failure to comply with Paragraph 7 of Section III of this Consent Order, then Respondent Summit Wealth Strategies, LLC of St. Louis will make a payment to the Investor Education and Protection Fund in the amount of \$15,000. Payment on behalf of Respondent Summit Wealth Strategies, LLC of St. Louis shall be due within 30 days of discovery of its non-compliance with the Consent Order, and shall be made in accordance with terms of Paragraph 1 of Section III above; and,
9. Respondents shall pay their own costs and attorney's fees with respect to this matter.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,

MISSOURI THIS 30 DAY OF December, 2015.



JASON KANDER
SECRETARY OF STATE


Andrew M. Hartnett
ANDREW M. HARTNETT
COMMISSIONER OF SECURITIES

Consented to by:
THE MISSOURI SECURITIES DIVISION



Scott Snipkie
Enforcement Counsel

Summit Wealth Strategies, LLC of St. Louis

BY:  _____

NAME: Brent Spicuzza


TITLE: Owner

Approved as to Form:



Donald J. Mehan, Jr.
Moline & Mehan, LLC
Attorney for Respondent

RESPONDENT



Brent Spicuzza