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10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
11 OF THE STATE OF CALIFORNIA

12	In the Matter of)	FILE NO. 170116
)	
13	THE COMMISSIONER OF BUSINESS)	
14	OVERSIGHT,)	1. DESIST AND REFRAIN ORDER; and
)	
15	Complainant,)	2. ORDER LEVYING ADMINISTRATIVE
16	v.)	PENALTIES
)	
17	CCM Management Group, LLC)	
18)	
19	Respondent.)	

20
21 The Commissioner of Business Oversight (“Commissioner”) of the Department of Business
22 Oversight (“Department”) alleges and charges as follows:

23 I. JURISDICTION AND VENUE

- 24 1. The Commissioner brings this action pursuant to the provisions of sections 25230(a),
25 25252(b), and 25532(b) of the Corporate Securities Law of 1968 (“CSL”), and the regulations
26 promulgated thereunder.
- 27 2. The Commissioner is authorized to administer and enforce the provisions of the CSL,
28 Corporations Code section 25000 et seq. and the regulations thereunder at Title 10, California

1 Code of Regulations (“CCR”).

2 II. STATEMENT OF FACTS

3 3. CCM Management Group, LLC is a California limited liability company operating in
4 California, with its principal place of business at 400 Continental Boulevard, Suite 6056, El
5 Segundo, California 90245.

6 4. On December 23, 2013, CCM Management Group, LLC filed an application for an
7 investment adviser certificate (license) with the Department. The application revealed that CCM
8 Management Group, LLC had engaged in unlicensed investment adviser activities since November
9 1, 2009.

10 5. When the Department’s licensing staff inquired about its unlicensed investment adviser
11 activities, CCM Management Group, LLC fully cooperated with the Department. CCM
12 Management Group, LLC provided information about its business, showing that it had nine clients
13 when it conducted unlicensed activities.

14 6. The Department finds, based upon the information provided by CCM Management Group,
15 LLC, that it was engaged in unlicensed investment adviser activity through the date of this Order, in
16 violation of CSL section 25230(a).

17 7. CCM Management Group, LLC has not held a valid investment adviser certificate.

18 III. ORDER TO DESIST AND REFRAIN FROM UNLICENSED ACTIVITY

19 8. Corporations Code section 25230(a) provides, in pertinent part:

20 It is unlawful for any investment adviser to conduct business as an
21 investment adviser in this state unless the investment adviser has
22 first applied for and secured from the commissioner a certificate,
then in effect, authorizing the investment adviser to do so....

23 9. Corporations Code section 25532(b) provides, in pertinent part:

24 If, in the opinion of the commissioner, a person has been or is
25 acting as a broker-dealer or investment adviser, or has been or is
26 engaging in broker-dealer or investment adviser activities, in
27 violation of Section 25210, 25230, or 25230.1, the commissioner
28 may order that person to desist and refrain from the activity until
the person has been appropriately licensed or the required filing
has been made under this law.

1 10. The Department finds that CCM Management Group, LLC has conducted business as an
2 investment adviser in this state without first securing from the Commissioner a certificate, then in
3 effect, in violation of Corporations Code section 25230(a).

4 11. Accordingly, CCM Management Group, LLC is hereby ordered to desist and refrain from
5 acting as an investment adviser in the State of California unless and until it has first applied for and
6 secured from the Commissioner a certificate authorizing it to act as an investment adviser, or unless
7 exempt.

8 12. This Order is necessary, in the public interest, for the protection of investors, and consistent
9 with the purpose, policies, and provisions of the CSL.

10 IV. ORDER LEVYING ADMINISTRATIVE PENALTIES

11 13. Corporations Code section 25252(b) authorizes the Commissioner to issue an order levying
12 administrative penalties against any investment adviser for willful violations of any provisions of the
13 CSL, including section 25230(a).

14 14. Corporations Code section 25252(b) provides, in relevant part:

15 (b) Any broker-dealer or investment adviser that willfully violates
16 any provision of this division to which it is subject, or that
17 willfully violates any rule or order adopted or issued pursuant to
18 this division and to which it is subject, is liable for administrative
19 penalties of not more than five thousand dollars (\$5,000) for the
20 first violation, not more than ten thousand dollars (\$10,000) for the
21 second violation, and not more than fifteen thousand dollars
22 (\$15,000) for each subsequent violation.

21 15. The Department finds that CCM Management Group, LLC willfully violated the CSL by
22 engaging in unlicensed investment adviser activities, in violation of section 25230(a), by providing
23 investment adviser services to various accounts in exchange for fees.

24 16. Pursuant to Corporations Code section 25252(b), the Commissioner hereby levies
25 administrative penalties against Respondent CCM Management Group, LLC in the amount of ten
26 thousand five hundred dollars (\$10,500), for repeated willful violations of section 25230(a) in
27 providing investment advice and collecting fees while unlicensed through the date of this Order.
28 This amount shall be paid to the Department of Business Oversight within thirty (30) days of the

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date of this Order.

17. This Order is necessary, in the public interest, for the protection of investors, and consistent with the purpose, policies and provisions of the CSL.

Dated: August 5, 2014

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division