STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS SECURITIES DIVISION

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Respondents.

IN THE MATTER OF DETERMINING whether there has been a violation of the Securities Act of Washington by: Jack T. Jarrell and OAG Wealth Management, LLC,

Order No. S-16-2066-18-CO01

CONSENT ORDER

Pursuant to the Securities Act of Washington, RCW 21.20, the Securities Division and Respondents Jack T. Jarrell and OAG Wealth Management, LLC do hereby enter into this CONSENT ORDER in settlement of the matters as alleged herein. Respondents Jack T. Jarrell and OAG Wealth Management, LLC neither admit nor deny the Findings of Fact and Conclusions of Law as set forth in this Order.

FINDING OF FACTS

Respondents

1. OAG Wealth Management, LLC ("OAG") was a Washington limited liability company located in Kirkland, Washington. OAG, Central Registration Depository ("CRD") number 168951, was registered as an investment adviser with the Securities Division in 2013 and its registration was terminated in 2017.

2. Jack T. Jarrell ("Jarrell") is the managing member, chief compliance officer, and principal owner of OAG. Jarrell, CRD number 6098405, was registered as an investment adviser with the Securities Division from 2013 to 2017. Jarrell is a resident of Snohomish, Washington.

Related Parties

3. Providence Financial Investments, Inc. ("PFI") and Providence Fixed Income Fund, LLC ("PFIF") were entities based in Key Biscayne, Florida and purported to be in the business of investing in receivables in Brazil. From 2011 to 2016, PFI and PFIF offered promissory notes ("the Notes") to investors and promised them high rates of interest with profits derived from Brazilian receivable investments purchased with the proceeds of the loans.

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CONSENT ORDER

4. Anthony Buzaneli (Buzaneli") is the co-founder and CEO of the Providence Group and was a Managing Director of PFI and PFIF.

SEC and Related Proceedings

5. In 2016, the Securities and Exchange Commission ("SEC") named PFI, PFIF, Buzaneli, and Jarrell in a civil action entitled Securities and Exchange Commission v. Providence Financial Investments, Inc., et al., Civil Action Number 16-cv-1877 ("the Civil Action"), in the United States District Court for the District of Minnesota.

6. The SEC alleged in the Civil Action that PFI and PFIF raised more than \$64 million from more than 400 investors in the United States through the sale of unregistered promissory notes. The SEC alleged that PFI and PFIF promised to pay investors annual returns generally ranging from 12% to 13% and represented to investors that their investment proceeds would be used to fund the "factoring" of accounts receivable in Brazil. Contrary to those representations, PFI and PFIF diverted significant portions of investor proceeds to uses other than investing in factoring transactions. It was also alleged that PFI and PFIF produced records to the SEC's staff indicating that they "deployed," at the most, just over 67% of investors' money to their purported factoring operations in Brazil, and that neither company has been able to demonstrate that those funds were actually fully invested in factoring transactions.

7. The SEC alleged in the Civil Action that Jarrell offered and sold unregistered securities, failed to register or be associated with a registered broker-dealer, knowingly or recklessly employed a device, scheme or artifice to defraud a client or prospective client, engaged in a transaction, practice, or course of business that operated as a fraud or deceit upon a client, and that he acted with scienter.

8. In April, 2018, in the United States District Court for the District of Minnesota, Anthony "Antonio" Buzaneli pleaded guilty to conspiracy to commit mail fraud in connection with his role in the offer and sale of PFI and PFIF Notes.

9. On July 9, 2018, a final judgment was entered in the SEC Civil Action by consent against Jarrell, permanently enjoining him from future violations of registration of securities laws, Sections 5(a) and 5(c) of the Securities Act of 1933; the registration requirement for brokers, Section 15(a)(1) of the Exchange Act of 1934; and the anti-fraud provisions of Sections 206(1) and 206(2) of the Investment Advisers Act of 1940.

CONSENT ORDER

10. On July 24, 2018, in the administrative proceeding *In the Matter of Jack Jarrell*, the SEC entered an order in which Jarrell was permanently barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Nature of Conduct

11. From 2012 to 2016, Jarrell and, from 2013 to 2016, OAG offered and sold the PFI and PFIF Notes to Washington investors, his investment advisory clients and others.

12. Jarrell and OAG marketed the Notes to investors in person, by phone, by email, and through seminars that were advertised as providing information on social security. Jarrell recruited at least one other individual to assist in the offer and sale of the Notes.

13. Jarrell and OAG provided investors with written materials and made oral representations that the proceeds of the Notes would be used to fund the factoring of accounts receivable in Brazil. Jarrell and OAG told investors that they would receive high rates of interest ranging from twelve to thirteen per cent and that investors had the option to receive monthly or quarterly interest payments or receive the accrued interest when the Notes matured. Jarrell and OAG assisted investors with the preparation of the investment documents and forwarded the documents to PFI and PFIF. Jarrell and OAG received approximately \$260,000 in commissions from the sale of the Notes.

14. Jarrell and OAG failed to disclose to certain investors that Jarrell would receive a six per cent commission on the sale of the Notes; that he would receive an additional three per cent "override" commission for sales made by another sales agent, and that PFI and PFIF paid for half of his office rent.

Registration Status

15. The PFI and PFIF Notes are not currently registered for sell in the state of Washington and have not previously been so registered.

16. Respondent Jarrell is not currently registered as a securities salesperson or broker-dealer in the state of Washington and has not previously been so registered.

17. Respondent OAG is not currently registered as a broker-dealer in the state of Washington and has not previously been so registered.

CONSENT ORDER

CONCLUSIONS OF LAW

1. The offer and sale of PFI and PFIF Notes as described above constitute the offer and/or sale of a security as defined in RCW 21.20.005(14) and (17).

2. The offer or sale of said securities are in violation of RCW 21.20.140 because no registration for such an offer and/or sale is on file with the Securities Administrator, state of Washington.

3. Respondents Jack T. Jarrell and OAG Wealth Management, LLC violated RCW 21.20.010 because, as set forth in the Tentative Findings of Fact, in connection with the offer, sale or purchase of any security, directly or indirectly, made misstatements of material facts or omitted to state material facts necessary in order to make the statements made, in the light of circumstances under which thy were made, not misleading.

4. Respondent Jack T. Jarrell violated RCW 21.20.040 by offering or selling said securities while not registered as a securities salesperson or broker-dealer in the state of Washington.

5. Respondent OAG Wealth Management, LLC violated RCW 21.20.040 by offering or selling said securities while not registered as a broker-dealer in the state of Washington.

6. The SEC order described above constitutes an order barring Jack T. Jarrell from association with any broker, dealer, and investment adviser. Jack T. Jarrell's bar constitutes grounds for the denial, suspension, and revocation of his application or registration of any broker-dealer, salesperson, investment adviser representative, or investment adviser pursuant to RCW 21.20.110(1)(e)(i).

7. The SEC order described above constitutes an order entered against OAG. OAG's SEC order constitutes grounds for the denial, suspension, and revocation of its application or registration of any broker-dealer or investment adviser pursuant to RCW 21.20.110(1)(e)(ii).

CONSENT ORDER

Based upon the foregoing and finding it in the public interest:

IT IS AGREED AND ORDERED that Respondents Jack T. Jarrell and OAG Wealth Management, LLC, their agents and employees shall each cease and desist from violating RCW 21.20.140, the securities registration section of the Securities Act of Washington.

CONSENT ORDER

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IT IS FURTHER AGREED AND ORDERED that Respondents Jack T. Jarrell and OAG Wealth Management, LLC, their agents and employees each shall cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act of Washington.

IT IS FURTHER AGREED AND ORDERED that Respondent Jack T. Jarrell, his agents and employees each shall cease and desist from violating RCW 21.20.040, the section of the Securities Act of Washington requiring registration of securities salespersons and broker-dealers.

IT IS FURTHER AGREED AND ORDERED that Respondent OAG Wealth Management, LLC, its agents and employees each shall cease and desist from violating RCW 21.20.040, the section of the Securities Act of Washington requiring registration of broker-dealers.

IT IS FURTHER AGREED AND ORDERED that any broker-dealer, investment adviser, securities salesperson or as an investment adviser representative registration applications Jack T. Jarrell may file in the future will be denied.

IT IS FURTHER AGREED AND ORDERED that any broker-dealer or investment adviser registration applications OAG Wealth Management, LLC may file in the future will be denied.

IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Consent Order.

IT IS FURTHER AGREED that Respondents Jack T. Jarrell and OAG Wealth Management, LLC entered into this Consent Order freely and voluntarily and with a full understanding of its terms and significance.

IT IS FURTHER AGREED that in consideration of the foregoing, Respondents Jack T. Jarrell and OAG Wealth Management, LLC waive their right to a hearing and to judicial review of this matter pursuant to RCW 21.20.440 and Chapter 34.05 RCW.

WILLFUL VIC	DLATION OF THIS	ORDER IS A CRIM	INAL OFFENSE.

Signed this <u>28th</u> day of <u>August</u>
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_____ 2018.

Jack T. Jarrell for OAG Wealth Management, LLC

Jack T. Jarrell, Individually

CONSENT ORDER

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3			Million M	Seats
4			William M. Beatty Securities Administrator	
5	Approved by:		Presented by: Martin Condell	
6			Martin Cordell	
7	Suzanne Sarason		Martin Cordell	
8	Chief of Enforcement		Financial Legal Examiner	
9	Reviewed by:			
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11	Lash McChaller			
12	Jack McClellan Financial Legal Examiner Supervisor			
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25	CONSENT ORDER		6 DEPARTMENT	OF FINANCIAL INSTITUTIONS
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