

consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3. Respondents fully understand that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondents for acts or omissions not specifically addressed in this Consent Order for facts and/or omissions that do not arise from the facts or transactions herein addressed.

4. Respondents fully understand that this Consent Order will in no way preclude additional proceedings by the Commissioner of Commerce and Insurance or any other state government representative against the Respondents for violations of law under other statutes, rules, or regulations of the State of Tennessee, which may arise out of the facts, acts, or omissions contained in the Findings of Fact and Conclusions of Law stated herein, or which may arise as a result of the execution of this Consent Order by the Respondents.

5. Respondents expressly waive all further procedural steps, and expressly waive all rights to seek judicial review of or to otherwise challenge or contest the validity of the Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of said Consent Order by the Commissioner.

FINDINGS OF FACT

1. The Tennessee Securities Act of 1980, as amended, T.C.A. § 48-2-101, et seq. ("Act"), places the responsibility for the administration of the Act on the Commissioner of Commerce and Insurance ("Commissioner"). The TSD is the lawful agent through which the Commissioner discharges this responsibility. T.C.A. § 48-2-115.

2. Respondent, A.D. Vallett & Company, LLC ("ADV&C") is a Tennessee limited

liability company that is currently seeking investment adviser registration with the TSD. The firm is located at 5141 Virginia Way, # 460, Brentwood, TN 37027.

3. Respondent, Aaron Donald Vallett, ("Vallett") (CRD# 4421122) is a citizen and resident of Davidson County, Tennessee. Vallett is currently seeking investment adviser representative registration with the TSD. He maintains his address at 1714 Temple Avenue, Nashville, TN 37215. Vallett is currently registered with and employed by Synergy Investment Group, LLC ("SIG") (CRD # 46035), located at 8320 University Executive Park Drive, Charlotte, NC 28262. Vallett is a former agent of Cambridge Way, Inc., ("CWI") (CRD # 16328) and at all times pertinent to the matters addressed in this Consent Order Vallett was a registered agent of either CWI or SIG.

4. On June 21, 2007, Vallett and ADV&C filed for investment adviser and investment adviser representative registrations with the TSD. The filings listed Vallett as the owner of ADV&C.

5. In connection with the filing for investment adviser and investment adviser representative registrations, Vallett disclosed information regarding a pending regulatory action by the Financial Industry Regulatory Authority ("FINRA") against him, which included a four (4) month suspension from association in any capacity with any FINRA member firm and a monetary fine of five thousand dollars (\$5,000).

6. FINRA is a self-regulatory organization, registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934.

7. On May 7, 2008, Vallett executed an Acceptance, Waiver and Consent (No. 2006005754402), specifying the above referenced sanctions, which was fully executed and

accepted by FINRA on May 21, 2008, thereby making it binding on the parties.

CONCLUSIONS OF LAW

8. Pursuant to T.C.A. §48-2-115(a), the responsibility for administration of the Act is upon the Commissioner. The TSD is the lawful agent through which the Commissioner discharges this responsibility.

9. T.C.A. § 48-2-112(a)(1) and (2)(F)(ii) states that the commissioner may by order deny, suspend, or revoke any registration under this part if she finds that the order is in the public interest and necessary for the protection of investors; and the applicant or registrant or, in the case of a broker-dealer or investment adviser, any affiliate, partner, officer, director, or any person occupying a similar status or performing similar functions is the subject of an order suspending or expelling such person from a national securities exchange or national securities association registered under the Securities Exchange Act of 1934, as amended.

10. The averments in paragraphs one – seven of this Consent Order, constitute practices by Aaron Donald Vallett which would provide grounds under T.C.A. § 48-2-112(a)(1) and (2)(F)(ii) for the entry of an order of sanctions.

ORDER

NOW, THEREFORE, on the basis of the foregoing, and Respondents' waiver of their right to a hearing and appeal under the Tennessee Securities Act and Tennessee's Uniform Administrative Procedures Act, T.C.A. § 4-5-101 *et seq.*, and Respondents' admission of jurisdiction of the Commissioner, the Commissioner finds that Respondents, for the purpose of settling this matter, admit the matters herein, have agreed to the entry of

this Order and that the following Order is appropriate, in the public interest and necessary for the protection of investors.

IT IS ORDERED, pursuant to T.C.A. § 48-2-116(a) of the Tennessee Securities Act that:

1. Respondents, A.D. Vallett & Company, LLC and Aaron Donald Vallett, **ARE ORDERED TO AND AGREE** to fully comply with the Tennessee Securities Act, as amended, and all rules promulgated thereunder;

2. Respondent, Aaron Donald Vallett, **IS ORDERED AND AGREES** to fully comply with all of the terms and conditions contained in the Acceptance, Waiver and Consent issued by FINRA on May 21, 2008;

3. Respondent, Aaron Donald Vallett, **IS ORDERED AND AGREES** to amend form U-4 and/or U-5, pursuant to the instructions of said forms and as required by FINRA, and file the appropriate Disclosure Reporting Page to disclose the details of this action;

4. The investment adviser representative application for Respondent, Aaron Donald Vallett, is hereby granted, but **shall be suspended** as to any conduct as an investment adviser representative from or in the state of Tennessee, for a term to be served concurrently with the FINRA suspension and is to be commenced on June 16, 2008 and ended on October 15, 2008;

5. Respondent, Aaron Donald Vallett, **shall be suspended from** any further conduct as an agent of a broker-dealer or investment adviser representative for SIG from

or in the state of Tennessee, for a term to be served concurrently with the FINRA suspension and is to be commenced on June 16, 2008 and ended on October 15, 2008;

6. Respondent, Aaron Donald Vallett, **shall** make a contribution to the Investor Education Fund in the amount of one thousand and five hundred dollars (\$1,500.00). Said sum shall be due and payable in full upon execution of this document, but in no event later than June 30, 2008. Payment, in the form of a check **made payable to the Tennessee Department of Commerce and Insurance – Investor Education Fund, Securities Division**, shall be mailed to:

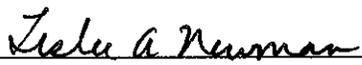
State of Tennessee
Department of Commerce and Insurance
Securities Division
Attention: Broker-Dealer Registration Section
500 James Robertson Parkway, 6th Floor, DCT
Nashville, Tennessee 37243.

7. Respondents hereby **AGREE** that failure to comply with all the requirements and prohibitions contained in this Order shall result in further enforcement action by the TSD, the Department of Commerce and Insurance, and/or the State of Tennessee in order to enforce the provisions contained herein.

IT IS ORDERED that this Order represents the complete and final resolution of, and discharge with respect to all administrative and civil, claims, demands, actions and causes of action by the Commissioner against A.D. Vallett & Company, LLC, and Aaron Donald Vallett for violations of the Act alleged by the TSD to have occurred with respect to the facts contained herein.

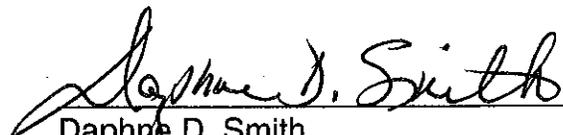
This Consent Order is in the public interest and in the best interests of the parties, and represents a compromise and settlement of the controversy between the parties and is for settlement purposes only. By the signatures affixed below, A.D. Vallett & Company, LLC, and Aaron Donald Vallett, affirmatively state that they have freely agreed to the entry of this Consent Order, that they waive the right to a hearing on the matters underlying this Consent Order and to a review of the Findings of Fact and Conclusions of Law contained herein, and that no threats or promises of any kind have been made by the Commissioner, the TSD, or any agent or representative thereof. The parties, by signing this Consent Order, affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement set forth in this Consent Order, are binding upon them.

ENTERED this 16th day of June, 2008.



Leslie A. Newman, Commissioner.
Department of Commerce and Insurance

APPROVED FOR ENTRY:



Daphne D. Smith,
Assistant Commissioner for Securities
Department of Commerce and Insurance

Aaron Donald Vallett

Aaron Donald Vallett
Respondent

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