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DEPT. OF COMMERCE AND INSURANCE  
LEGAL OFFICE



STATE OF TENNESSEE  
BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE

TENNESSEE SECURITIES DIVISION	)	
<b>Petitioner,</b>	)	
	)	
v.	)	<b>Order No.: 17-014</b>
	)	
BEASLEY & COMPANY,	)	
	)	
<b>Respondent.</b>	)	
	)	

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**CONSENT ORDER**

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The Tennessee Securities Division (the "Division") and Beasley & Company agree to the entry of this Consent Order in accordance with Tenn. Code Ann. § 48-1-116 of the Tennessee Securities Act of 1980, as amended, Tenn. Code Ann. §§ 48-1-101 to 48-1-201 ("Act"), which states that the Commissioner of the Department of Commerce and Insurance ("Commissioner") from time to time may make such orders as are necessary to carry out the provisions of the Act.

Beasley & Company hereby stipulates and agrees to the entry of this Consent Order, subject to the approval of the Commissioner, as follows:

## **GENERAL STIPULATIONS**

1. It is understood that this Consent Order is subject to the Commissioner's acceptance.
2. This Consent Order is executed by Beasley & Company for the purpose of facilitating the registration of Beasley & Company as an investment adviser in Tennessee. Should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner or Beasley & Company from further participation in or resolution of these proceedings.
3. Beasley & Company understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against Beasley & Company for acts or omissions not specifically addressed in this Consent Order, or for acts or omissions that do not arise from the facts or transactions addressed herein.
4. Beasley & Company waives all further procedural steps, and waives all rights to seek judicial review of or to otherwise challenge or contest the validity of this Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of this Consent Order by the Commissioner.

## **FINDINGS OF FACT**

1. The Act places the responsibility for its administration on the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility. Tenn. Code Ann. § 48-1-115.
2. Beasley & Company (CRD# 123623) is a Tennessee-based partnership that offers investment advisory, accounting, and tax services. Beasley & Company's principal office and

place of business is located at 3780 Highway 79 North, Paris, TN 38242. Beasley & Company employs one (1) investment adviser representative, Thomas Beasley (CRD# 4603093), who also serves as the company's Chief Compliance Officer.

3. Beasley & Company first registered as an investment adviser in Tennessee on January 28, 2002. Beasley & Company's registration lapsed on December 31, 2016, due to the company's failure to renew, which Beasley & Company maintains was the result of inadvertent error. Prior to December 31, 2016, Beasley & Company had no disciplinary history.

4. Beasley & Company re-applied for registration as an investment adviser on April 6, 2017. From January 1, 2017 through April 5, 2017, Beasley & Company continued to provide investment advisory services in Tennessee despite the company's lack of registration.

5. Upon reapplication for registration with the TSD, Beasley & Company self-reported the hours worked and fees earned while operating as an unregistered investment adviser. From January through April, 2017, Beasley & Company recorded just over seven (7) hours of investment advisory services and received seventy-one thousand, nine hundred and four dollars (\$71,904.00) in management fees.

#### **CONCLUSIONS OF LAW**

1. Pursuant to Tenn. Code Ann. § 48-1-115(a), the responsibility for the administration of the Act is vested in the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility.

2. Tenn. Code Ann. § 48-1-116 provides that the Commissioner may make, promulgate, amend, and rescind such orders as are necessary to carry out the provisions of the Act upon a finding that such order is in the public interest, necessary for the protection of

investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

3. Pursuant to Tenn. Code Ann. § 48-1-109(c), it is unlawful for any person to transact business from or in Tennessee as an investment adviser or investment adviser representative unless registered as such under the Act.

4. Pursuant to Tenn. Code Ann. § 48-1-109(e), the “[C]ommissioner may, after notice and an opportunity for a hearing... impose a civil penalty against any person found to be in violation of [the registration requirements under the Act] in an amount not to exceed ten thousand dollars (\$10,000.00) per violation.”

5. Based upon the Findings of Fact detailed above, Beasley & Company violated Tenn. Code Ann. § 48-1-109(c) by operating as an unregistered investment adviser from January 1, 2017 through April, 2017.

6. Beasley & Company’s violation of Tenn. Code Ann. § 48-1-109(c) constitutes grounds for the assessment of civil penalties pursuant to Tenn. Code Ann. § 48-1-109(e).

7. The Division finds the following relief appropriate, in the public interest and necessary for the protection of investors.

### **ORDER**

**NOW, THEREFORE**, on the basis of the foregoing, and Beasley & Company's waiver of its right to a hearing and appeal under the Act and Tennessee's Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 to 4-5-404, and Beasley & Company's admission of jurisdiction of the Commissioner, the Commissioner finds that Beasley & Company, for the purpose of settling this matter, has agreed to the entry of this Consent Order and that the

following order is appropriate, in the public interest, and necessary for the protection of investors.

**IT IS ORDERED**, pursuant to § 48-1-116(a) of the Act that:

1. Beasley & Company shall fully comply with the Act, as amended, and all rules promulgated thereunder;

2. Beasley & Company shall be assessed a civil penalty in the amount of five thousand dollars (\$5,000.00). The payment of such civil penalty shall be made by check payable to the Tennessee Department of Commerce and Insurance, paid within thirty (30) days after entry of this Consent Order and mailed to the attention of:

**State of Tennessee  
Department of Commerce and Insurance  
Legal Division  
Attn: Kelsey J. Bridges  
8th Floor, Davy Crockett Tower  
500 James Robertson Parkway  
Nashville, Tennessee 37243**

3. Beasley & Company's investment adviser application shall be made effective by the Division upon confirmed receipt of payment of the civil penalty and satisfaction of the investment adviser registration requirements of the Act.

**IT IS ORDERED**, that this Consent 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 Beasley & Company for all violations of the Act alleged by the Division to have occurred with respect to the transactions and the facts contained herein.

This Consent Order is in the public interest and in the best interest of the parties, and represents a compromise and settlement of the controversy between the parties. By the signatures affixed below, Beasley & Company affirmatively states that it has freely agreed to the entry of 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 Division, 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 14 day of July, 2017

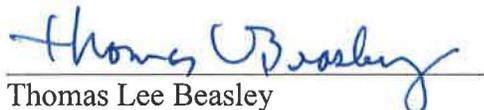
**BY ORDER OF:**

  
\_\_\_\_\_  
Julie Mix McPeak, Commissioner  
Tennessee Department of Commerce and  
Insurance

**APPROVED FOR ENTRY:**

  
Frank Borger-Gilligan (SDW)  
Assistant Commissioner for Securities  
Tennessee Department of Commerce and  
Insurance

  
Kelsey J. Bridges (BPR# 034704)  
Assistant General Counsel for Securities  
Tennessee Department of Commerce and  
Insurance

  
Thomas Lee Beasley  
Beasley & Company  
3780 Highway 79 North  
Paris, TN 38422  
(731) 642-9112