

MAR 19 2025

TN DEPT OF COMMERCE AND INSURANCE
REGULATORY BOARDS LEGAL DIVISION

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE**

TENNESSEE SECURITIES DIVISION,)
)
 Petitioner,)
)
 v.)
)
 ROMAN WEALTH MANAGEMENT LLC)
 and ANGELO EDWARD ROMAN)
)
 Respondents.)

Matter No.: 24-01290

CONSENT ORDER

The Securities Division of the Tennessee Department of Commerce and Insurance (“Division”), Roman Wealth Management, LLC. (“Roman Wealth”) and Angelo Edward Roman (“Respondent Roman”), and together, (“Respondents”), agree to the entry and execution of this Consent Order in accordance with Tennessee Code Annotated (“Tenn. Code Ann.”) § 48-1-116 of the Tennessee Securities Act of 1980 (“Act”), as amended, and Tenn. Code Ann. § 48-1-101 to 48-1-201, subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance (“Commissioner”).

PARTIES

1. Roman Wealth is an investment adviser firm registered with the Division since March 22, 2023, with its principal place of business located in Mount Juliet, Tennessee. It is assigned Central Registration Depository (“CRD”) Number ³²⁵⁰²⁰~~1989113~~ with the Financial Industry Regulatory Authority (“FINRA”).

2. Respondent Roman is the Owner and Chief Compliance Officer of Roman Wealth.
3. The Division is the lawful agent through which the Commissioner discharges the administration of the Act pursuant to Tenn. Code Ann. § 48-1-115.

GENERAL STIPULATIONS

4. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry and execution of the Commissioner.

5. It is expressly understood that this Consent 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.

6. This Consent Order is executed by the Commissioner, the Division, and the Respondents to avoid further administrative action with respect to this cause. 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 from further participation or resolution of these proceedings.

7. The Respondents fully understand that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondents for acts and/or omissions not specifically addressed in this Consent Order nor for facts and/or omissions that do not arise from the facts or transactions herein.

8. The Respondents fully understand that this Consent Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for acts or omissions addressed specifically in this Consent Order, violations of law under statutes, rules, or regulations of the State of Tennessee that arise out of the facts, acts, or omissions contained in this

Consent Order, or acts or omissions addressed specifically herein that result from the execution of this Consent Order.

9. This Consent Order is submitted on the condition that, if accepted, the Commissioner will not bring any future actions against the Respondents alleging violations based on the same factual findings described herein.

FINDINGS OF FACT

10. On or about December 4, 2023, the Division opened a cyclical examination of Roman Wealth. This was the firm's first cyclical examination in Tennessee.

11. During the examination, the Division discovered that Roman Wealth failed to comply with Tennessee's custody requirements by conducting first-party transactions on behalf of its clients for a number of months. The firm conducted first-party transactions on behalf of approximately forty-two (42) clients on eighty (80) accounts. The firm has been conducting these transactions since April 2023. The firm conducted approximately twenty (20) first-party transactions a month consisting of ACH bank transfers, check requests, and internal journals.

12. During the examination, the Division discovered that Roman Wealth was missing thirteen (13) client agreements. Additionally, four (4) client agreements were not properly executed with the Respondent's signature.

13. During the examination, the Division discovered that Roman Wealth charged inconsistent advisory fees for fifteen (15) clients and twenty (20) accounts and overcharged one (1) client an advisory fee,

14. During the examination, the Division discovered that Roman Wealth failed to maintain material change ADV delivery documentation for three (3) clients.

15. During the examination, the Division discovered that Roman Wealth failed to comply with and failed to maintain the minimum net capital for one month, May 2023. Respondents acknowledged that the firm failed to meet the minimum net capital requirement for May 2023 as the firm's net capital for that month was six thousand six hundred seventy-one dollars and seventy-six cents (\$6,671.76), which was below the required minimum of fifteen thousand dollars (\$15,000).

16. Respondent Roman Wealth acknowledged the issues that have occurred and has been proactive in resolving them.

CONCLUSIONS OF LAW

17. 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 pursuant to Tenn. Code Ann. § 48-1-115(b).

18. 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.

19. Tenn. Comp. R. & Regs. 0780-04-03-.02(4)(a)2 provides, in part, that:

- (a) For any investment adviser registered in this state which has custody of client funds or securities, or which requires prepayment of more than five hundred dollars (\$500) in advisory fees six (6) or more months in advance, such statement of financial condition (balance sheet) shall be:

20. Tenn. Comp. R. & Regs. 0780-04-03-.07(1)(e) provides, in part, that:

- (1) It shall constitute an act, practice, or course of business which operates or would operate as a fraud or deceit upon another person,

within the meaning of T.C.A. § 48-1-121(b)(3) of the Act, for any investment adviser in this state who has custody or possession of any funds or securities in which any client has any beneficial interest, to commit an act or take any action, directly or indirectly, with respect to any funds or securities, unless:

e. Such investment adviser complies with the reporting requirements set forth under part (4)(a)2. of Rule 0780-04-03-.02; and;

21. Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(a)(8) provides, in part, that:

(a) Except as provided in subparagraph (3)(c) of this Rule, every registered investment adviser shall maintain and keep current the following books and records relating to its business, unless waived by order of the commissioner:

8. Copies of all agreements entered into by the investment adviser with respect to any account, which agreements shall set forth the fees to be charged and the manner of computation and method of payment thereof, and copies of all communications, correspondence, and other records relating to securities transactions;

22. Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(c)(11) provides, in part, that:

(c) The following are deemed “dishonest or unethical business practices” by an investment adviser or an investment adviser representative under T.C.A. § 48-1-112(a)(2)(G), to the extent permitted under Section 203A of the Investment Advisers Act, without limiting those terms to the practices specified herein:

11. Misrepresenting to any advisory client, or prospective advisory client, the qualifications of the investment adviser or any employee of the investment adviser, or misrepresenting the nature of the advisory services being offered or fees to be charged for such service, or omitting to state a material fact necessary to make the statements made regarding qualifications, services, or fees, in light of the circumstances under which they are made, not misleading;

23. Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(c)(19)(iii) provides, in part, that:

(c) The following are deemed “dishonest or unethical business practices” by an investment adviser or an investment adviser representative under T.C.A. § 48-1-112(a)(2)(G), to the extent

permitted under Section 203A of the Investment Advisers Act, without limiting those terms to the practices specified herein:

19. Entering into, extending, or renewing any investment advisory contract, unless such contract is in writing and, in substance, discloses:

iii. The advisory fee;

24. Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(c)(20) provides, in part, that:

(c) The following are deemed “dishonest or unethical business practices” by an investment adviser or an investment adviser representative under T.C.A. § 48-1-112(a)(2)(G), to the extent permitted under Section 203A of the Investment Advisers Act, without limiting those terms to the practices specified herein:

20. Failing to establish, maintain, and enforce written policies and procedures reasonably designed, taking into consideration the nature of such investment adviser’s business, to prevent the misuse in violation of the Investment Advisers Act or the 1934 Act, or the rules or regulations promulgated thereunder, of material, non-public information by such investment adviser or any person associated with such investment adviser;

25. Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(c)(13) provides, in part, that:

(c) The following are deemed “dishonest or unethical business practices” by an investment adviser or an investment adviser representative under T.C.A. § 48-1-112(a)(2)(G), to the extent permitted under Section 203A of the Investment Advisers Act, without limiting those terms to the practices specified herein:

...

13. Charging a client an unreasonable advisory fee;

26. Tenn. Comp. R. & Regs. 0780-04-03-.01(6)(a) provides, in part, that:

(a) Except as provided under subparagraph (6)(d) of this Rule, every investment adviser registered or to be registered shall have and maintain a minimum net capital of fifteen thousand dollars (\$15,000).

27. The Findings of Fact detailed in Paragraph Eleven (11) above demonstrate that Respondents violated Tenn. Comp. R. & Regs. 0780-04-03-.02(4)(a)2 by conducting first-party transactions on behalf of clients without meeting the custody requirements.

28. The Findings of Fact detailed in Paragraph Twelve (12) above demonstrate that Respondents violated Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(a)(8) by failing to maintain thirteen (13) client agreements and improperly executing four (4) others.

29. The Findings of Fact in Paragraphs Twelve (12) and Thirteen (13) establish that Respondents violated Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(c)(11), (19)(iii), and (20) by charging inconsistent advisory fees, overcharging a client, and failing to maintain proper agreements.

30. The Findings of Fact in Paragraph Thirteen (13) demonstrate that Respondents violated Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(c)(13) by overcharging one (1) client.

31. The Findings of Fact in Paragraph Fourteen (14) demonstrate that Respondents failed to maintain documentation of material change ADV delivery for three (3) clients, violating Tenn. Comp. R. & Regs. 0780-04-03-.02(4)(d).

32. The Findings of Fact in Paragraph Fifteen (15) demonstrate that Respondents violated Tenn. Comp. R. & Regs. 0780-04-03-.01(6)(a) by failing to meet the minimum net capital in May 2023. This constitutes a violation pursuant to Tenn. Code Ann. § 48-1-110(a)(5)(d).

33. The Respondents' above-mentioned violations constitute grounds for the assessment of civil penalties pursuant Tenn. Code Ann. § 48-1-112.

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

ORDER

NOW, THEREFORE, based on the foregoing, including the Respondents' waiver of the right to a hearing and appeal under the Act and the Tennessee Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 *et seq.*, and the Respondents' admission to the jurisdiction of the Commissioner, the Commissioner finds that the Respondents agree to the entry and execution of this Consent Order to settle this matter as evidenced by the Respondents' signature.

IT IS ORDERED, pursuant to Tenn. Code Ann. § 48-1-116(a), of the Law, that:

1. The Respondents shall **COMPLY** with the Act, as amended, and all rules promulgated thereunder; and
2. **COMPLETE** six (6) hours of investment adviser continuing education on the subject of books and records compliance within ninety (90) days of the execution and entry of this consent order. This requirement is in addition to those continuing education hours required pursuant to Tenn. Comp. R & Regs. 0780-04-03-.17(1). All required continuing education must be from providers approved by the North American Securities Administrators Association ("NASAA"). Proof of completion of this requirement shall be sent to the Division's Director of Registration via email at April.X.Odom@tn.gov along with Catherine Tabor, Associate Counsel via email at Catherine.Tabor@tn.gov within thirty (30) days of completion of the additional hours.
3. The Respondents **PAY A CIVIL PENALTY** to the State of Tennessee of three thousand dollars (\$3,000), for which they shall be held jointly and severally responsible, pursuant to the following payment terms:

The payment of such civil penalty shall be made by check payable to the Tennessee Department of Commerce and Insurance within thirty (30) days of the execution of this Order by the Commissioner. Page one (1) of this Consent Order must accompany the payment for reference. Payment shall be mailed to the attention of:

**State of Tennessee
Department of Commerce and Insurance
Attn: Catherine Tabor
500 James Robertson Parkway
Davy Crockett Tower
Nashville, Tennessee 37243**

4. **GRACE PERIOD** – Payment shall be made in a timely manner if postmarked within five (5) business days of the date payment is due.

5. **ACCELERATION** – Respondents hereby agree that failure to remit any payment more than sixty (60) calendar days following the due date of said payment as indicated in the above-scheduled payments shall constitute default. Upon default, the entire outstanding civil penalty shall

6. **MODIFICATION** – The Division and Respondent hereby agree that modifications to this Consent Order regarding any term may only be made in writing and signed

7. The Respondents' failure to comply with the terms of this Consent Order, including the manner and method of payment of the civil penalty described above, shall result in further administrative disciplinary actions, which may include the assessment of additional civil penalties.

8. This Consent Order represents the complete and final resolution of and discharge of all administrative and civil claims, demands, actions, and causes of action by the Commissioner against the Respondents for violations of the Act with respect to the transactions involved in above-referenced facts. However, excluded from and not covered by this paragraph, are any claims by the Division arising from or relating to the enforcement of the Consent Order provisions contained herein.

9. This Consent Order is in the public interest and the best interests of the Parties. It represents a settlement of the controversy between the Parties and is for settlement purposes only. By the signatures affixed below, or in two (2) or more counterparts, the Respondents affirmatively

state the following: the Respondents freely agree to the entry and execution of the Consent Order; the Respondents waive the right to a hearing on, or a review of, the matters, the Findings of Fact, and the Conclusions of Law underlying this Consent Order or the enforcement of this Consent Order; and the Respondents encountered no threats or promises of any kind by the Commissioner, the Division, or any agent or representative thereof.

10. By signing this Consent Order, the Commissioner, the Division, and the Respondents 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 as set forth in this Consent Order, are binding upon them.

11. This Consent Order may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. The facsimile, email, or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or other electronic copies shall be deemed to constitute duplicate originals.

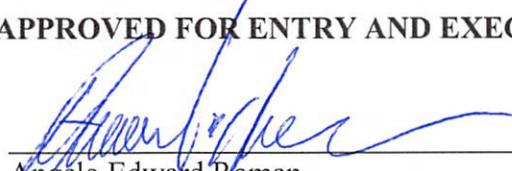
ENTERED AND EXECUTED March 31, 2025.



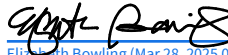
Carter Lawrence (Mar 31, 2025 12:05 CDT)

Carter Lawrence, Commissioner
Department of Commerce and Insurance

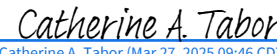
APPROVED FOR ENTRY AND EXECUTION:



Angelo Edward Roman
Roman Wealth LLC



Elizabeth Bowling
Assistant Commissioner for Securities
Department of Commerce and Insurance



Catherine A. Tabor, BPR #038467
Associate Counsel
Department of Commerce and Insurance