



## GENERAL STIPULATIONS

1. It is understood that this Consent Order is subject to the Commissioner's acceptance.
2. This Consent Order is executed by Respondent for the purpose of facilitating the registration of Stephen Ray Arnold d/b/a Storehouse Advisory Group as an investment adviser in Tennessee and for the purpose of avoiding further administrative action with respect to the violation(s) described herein. 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 Parties from further participation in or resolution of these proceedings.
3. Respondent understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against Respondent 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. Respondent 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

5. 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.

6. Stephen Ray Arnold is a sole proprietor who conducts investment advisory business under the name Storehouse Advisory Group (CRD# 147449). Respondent's principal office and place of business is reportedly located at 12501 Coral Reef Circle, Knoxville, Tennessee 37922.

7. Respondent applied for investment adviser registration on June 6, 2008. As a sole proprietor, Respondent also applied for investment adviser representative registration the same day. The Division approved Respondent's applications on August 11, 2008.

8. Respondent's registrations terminated on December 31, 2016, due to Respondent's failure to renew.

9. Respondent continued operations as an investment adviser and investment adviser representative despite his lack of registration. From January 2017, through May 2017, Respondent provided investment advisory services to twenty-six (26) accounts, receiving four thousand one hundred ninety dollars and fifty cents (\$4,190.50) in fees.

#### **CONCLUSIONS OF LAW**

10. 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.

11. 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.

12. Pursuant to Tenn. Code Ann. § 48-1-109(d)(1), the registration of an investment adviser and/or an investment adviser representative expires annually, unless timely renewed, on December 31 of each year.

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

14. Pursuant to Tenn. Code Ann. § 48-1-112(a)(2)(B), the Commissioner may deny an application for registration upon finding that the applicant has willfully failed to comply with any provision of the Act and upon finding that such denial is in the public's interest and necessary for the protection of investors.

15. Under Tenn. Code Ann. § 48-1-112(d), in any case in which the Commissioner is authorized to deny an applicant's registration, the Commissioner may, in lieu of or in addition to such denial, impose a civil penalty not to exceed five thousand dollars (\$5,000.00) per violation.

16. Based upon the Findings of Fact detailed above, Respondent violated Tenn. Code Ann. § 48-1-109(c) by operating as an unregistered investment adviser and acting as an unregistered investment adviser representative between the months of January 2017, and May 2017.

17. Respondent's violation of Tenn. Code Ann. § 48-1-109(c) constitutes grounds for denial and/or civil penalties pursuant to Tenn. Code Ann. § 48-1-112.

18. 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 Respondent's waiver of his rights 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 Respondent's admission of jurisdiction of the Commissioner, the Commissioner finds that Stephen Ray Arnold d/b/a Storehouse Advisory Group, for the purpose of settling this matter, has agreed to the entry of this Consent Order and that the

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

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

1. Respondent shall fully comply with the Act, as amended, and all rules promulgated thereunder;
2. Respondent shall timely renew his investment adviser registration, without prior notification from the Division, until such time as Respondent no longer transacts investment advisory business from, in, or into this state;
3. Respondent shall be assessed a civil penalty in the amount of five hundred dollars (\$500.00). The payment of such civil penalty shall be made by check payable to the Tennessee Department of Commerce and Insurance. Page one (1) of this Order must accompany the payment for reference. Payment shall be remitted within thirty (30) days after entry of this Consent Order, mailed to the attention of:

**State of Tennessee**  
**Department of Commerce and Insurance**  
**Attn: Kelsey J. Bridges**  
**8<sup>th</sup> Floor, Davy Crockett Tower**  
**500 James Robertson Parkway**  
**Nashville, TN 37243**

4. Respondent's investment adviser registration shall be made effective by the Division upon confirmed receipt of payment of the civil penalty.

**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 Fieldstone Financial Partners 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, Respondent affirmatively states that he 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.

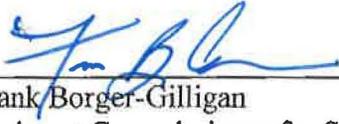
ENTERED this 20 day of December, 2017.

BY ORDER OF:



Julie Mix McPeak, Commissioner  
Tennessee Department of Commerce and Insurance

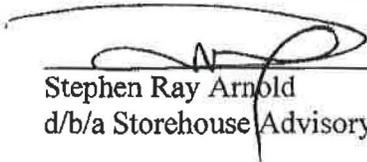
**APPROVED FOR ENTRY:**



Frank Borger-Gilligan  
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



Stephen Ray Arnold  
d/b/a Storehouse Advisory Group