



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

TENNESSEE SECURITIES DIVISION,)
)
 Petitioner,)
)
 v.) **TSD No.: 21-033**
)
 DELPHI WEALTH)
 MANAGEMENT, LLC and)
 CHARLOTTE MABRY)
)
 Respondents.)

CONSENT ORDER

The Securities Division of the Tennessee Department of Commerce and Insurance (“Division”), by and through undersigned counsel, and Delphi Wealth Management, LLC and Charlotte Mabry (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”).

I. PARTIES

1. The Division is the lawful agent through which the Commissioner discharges the administration of the Act pursuant to Tenn. Code. Ann. § 48-1-115.
2. Delphi Wealth Management, LLC (“Respondent Delphi”), CRD #307655, maintains an address of record of 7339 Bradford Road, Primm Springs, TN 38476.

3. Charlotte Mabry (“Respondent Mabry”), CRD #1026407, is a resident of Tennessee.

II. 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 signature of and entry by 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 the same findings of fact 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 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 them 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. The Respondents waive all further procedural steps and all rights to seek judicial review of, or otherwise challenge the validity of this Consent Order, the stipulations and imposition of discipline contained herein, or the consideration and entry of this Consent Order by the Commissioner.

III. FINDINGS OF FACT

10. On April 27, 2020, Respondent Delphi was registered as an investment adviser in the State of Tennessee.

11. On October 19, 2020, the Tennessee Securities Division (“Division”) opened a routine examination of Respondent Delphi.

12. Respondent Mabry is the owner and Chief Compliance Officer of Respondent Delphi.

13. The examination found that the Respondents failed to obtain written client agreements for all sixteen (16) of the firm’s clients.

14. During the examination, the firm created and obtained written client agreements for all sixteen (16) clients.

15. The Respondents exercised discretionary authority over six (6) of their clients’ accounts without having written consent.

16. During the examination, written discretionary consent was obtained for all clients.

17. The Respondents charged fees to thirteen (13) clients without disclosing the fees to the clients in October and November 2020.

18. During the examination, the Respondents sent written disclosures to all clients.

19. The Respondents overcharged six (6) clients in ten (10) accounts in October and November 2020.

20. During the examination, all overcharged accounts were refunded except one (1).

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

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. Tenn. Code Ann. §§ 48-1-112(a)(1) and (a)(2)(B) provide that the Commissioner may by order deny, suspend, or revoke any registration upon finding that the order is in the public interest, necessary for the protection of investors if the applicant or registrant has violated or failed to comply with any rule.

4. Tenn. Code Ann. §§ 48-1-112(a)(1) and (a)(2)(G) provide that the Commissioner may by order deny, suspend, or revoke any registration upon finding that the order is in the public interest, necessary for the protection of investors, and the applicant or registrant engaged in dishonest or unethical practices in the securities business.

5. Tenn. Code Ann. § 48-1-112(d) establishes that when the Commissioner is authorized to deny, revoke, or suspend the registration of an investment adviser or investment adviser representative, “the [C]ommissioner may . . . impose a civil penalty in an amount not to

exceed five thousand dollars (\$5,000) for all violations for any single transaction, or in an amount not to exceed ten thousand dollars (\$10,000) per violation if an individual who is a designated adult is a victim.”

6. Based on the Findings of Fact above, the Respondents violated or failed to comply with Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(a)(8.) by failing to obtain client agreements for all sixteen (16) of their clients in violation of Tenn. Code Ann. § 48-1-112(a)(2)(B).

7. Based on the Findings of Fact above, the Respondents engaged in dishonest and unethical practices by an investment adviser when they failed to obtain written discretionary authority, in violation of Tenn. Code Ann. § 48-1-112(a)(2)(G) and Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(c)(1.).

8. Based on the Findings of Fact above, the Respondents engaged in dishonest and unethical practices by an investment adviser when they charged thirteen (13) clients undisclosed fees in October and November 2020, in violation of Tenn. Code Ann. § 48-1-112(a)(2)(G) and Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(c)(19.).

9. Based on the Findings of Fact above, the Respondents engaged in dishonest and unethical practices by an investment adviser when they overcharged six (6) clients in October and November 2020, in violation of Tenn. Code Ann. § 48-1-112(a)(2)(G) and Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(c)(11.).

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

V. 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.*, the Respondents' waiver of the right to a hearing on the enforcement of this Consent Order, and the Respondents' admission to the jurisdiction of the Commissioner, the Commissioner finds that the Respondents agree to the entry of this Consent Order to settle this matter as evidenced by the Respondents' signatures.

IT IS ORDERED, pursuant to Tenn. Code Ann. § 48-1-116, that the Respondents shall:

1. Comply with the Act, as amended, and all rules promulgated thereunder;
2. Pay a civil penalty to the State of Tennessee of ten thousand dollars (\$10,000) for violations of Tenn. Code Ann. § 48-1-112(a)(2)(B) and (a)(2)G) and Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(a)(8.), 0780-04-03-.02(6)(c)(1.), 0780-04-03-.02(6)(c)(19.), and 0780-04-03-.02(6)(c)(11.). 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 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: William H. Leslie
Davy Crockett Tower
500 James Robertson Parkway
Nashville, Tennessee 37243.

Payment shall be remitted in eighteen (18) monthly installments as follows:

Payment Number	Due Date	Amount (Total Paid in parentheses)
1	October 15, 2021	\$555.55 (\$555.55)
2	November 15, 2021	\$555.55 (\$1,111.10)
3	December 15, 2021	\$555.55 (\$1,666.65)
4	January 15, 2022	\$555.55 (\$2,222.20)
5	February 15, 2022	\$555.55 (\$2,777.75)

6	March 15, 2022	\$555.55 (\$3,333.30)
7	April 15, 2022	\$555.55 (\$3,888.85)
8	May 15, 2022	\$555.55 (\$4,444.40)
9	June 15, 2022	\$555.55 (\$4,999.95)
10	July 15, 2022	\$555.55 (\$5,555.50)
11	August 15, 2022	\$555.55 (\$6,111.05)
12	September 15, 2022	\$555.55 (\$6,666.60)
13	October 15, 2022	\$555.55 (\$7,222.15)
14	November 15, 2022	\$555.55 (\$7,777.70)
15	December 15, 2022	\$555.55 (\$8,333.25)
16	January 15, 2023	\$555.55 (\$8,888.80)
17	February 15, 2023	\$555.55 (\$9,444.35)
18	March 15, 2023	\$555.65 (\$10,000.00)

If the Respondents fail to remit payment three (3) times or fail to remit timely payment three (3) times, the Respondents agree that the Respondents' registrations shall be automatically revoked, effective immediately, without notice and opportunity for a hearing. Timely payment is defined as payment received by the Division before close of business on the Due Date as set forth above. Respondents may prepay the civil penalty at any time. The Respondents waive all procedural steps and all rights to seek judicial review of or otherwise challenge the automatic revocation, including the right to a hearing and appeal under the Tennessee Securities Act of 1980 and the Tennessee Uniform Administrative Procedures Act.

Once the Division receives all installment payment amounts as outlined above, the Division shall consider the ten thousand dollar (\$10,000) civil penalty fulfilled by the Respondents.

3. 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.

4. 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 the 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.

5. 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: freely agree to the entry of this Consent Order; they 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; waive the right to a hearing for the enforcement of this Consent Order; and encountered no threats or promises of any kind by the Commissioner, the Division, or any agent or representative thereof.

6. By signing this Consent Order, the Commissioner, Division, and the Respondents affirmatively agree 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.

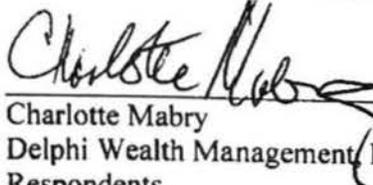
7. This Consent Order may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

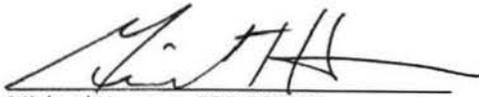
The facsimile, email or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or electronic copies shall be deemed to constitute duplicate originals.

ENTERED this day of Sep 20, 2021, 2021.

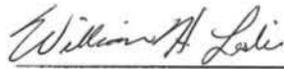

Carter Lawrence (Sep 20, 2021 12:52 CDT)
Carter Lawrence, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY:


Charlotte Mabry
Delphi Wealth Management, LLC
Respondents


Michael Harmon, BPR 027279
Counsel for Respondents


E B (Sep 20, 2021 08:39 CDT)
Elizabeth Bowling
Assistant Commissioner for Securities
Department of Commerce and Insurance


William H. Leslie, BPR #036098
Associate General Counsel for Securities
Department of Commerce and Insurance