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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA :
DEPARTMENT OF BANKING AND :
SECURITIES, BUREAU OF SECURITIES :
COMPLIANCE AND EXAMINATIONS :

v. :

Docket No.: 17 0659 (SEC-CAO)

ARLENE M. NEFF :
d/b/a A. NEFF ASSOCIATES :

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Bureau of Securities Compliance and Examinations ("Bureau"), has conducted an investigation and an examination ("Exam") of the securities activities of Arlene M. Neff d/b/a A. Neff Associates (hereinafter "A. Neff" or "the Respondent"). Based on the results of its investigation, the Bureau has concluded that the Respondent has operated in violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101, *et seq.* ("1972 Act").

The Respondent, in lieu of litigation, and without admitting or denying the allegations contained herein, and intending to be legally bound, voluntarily consents to the entry of this Consent Agreement and Order ("CAO"), and waives any right to a hearing or to judicial review regarding this CAO.

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the 1972 Act and its Regulations
2. The Bureau is primarily responsible for administering and enforcing the 1972 Act and its Regulations for the Department.
3. The Bureau operates from the Department's main office located at 17 North Second Street, Suite 1300, Harrisburg, PA 17101.
4. Respondent A. Neff, was, at all times material herein, a sole proprietorship with an address at 416 Maple Avenue, Pittsburgh, PA 15218. At all times material herein, Arlene M. Neff ("Neff") was the owner of Respondent A. Neff.

FACTUAL ALLEGATIONS

5. From on or about May 28, 2014, through the present, Respondent A. Neff (CRD #170488) has been registered and transacted business in Pennsylvania as an investment adviser pursuant to Section 301(c) of the 1972 Act, 70 P.S. § 1-301(c).
6. At all times material herein, Neff has "controlled" Respondent A. Neff, as that term is defined by Section 102(g) of the 1972 Act, 70 P.S. § 1-102(g), and as such, has caused Respondent A. Neff to commit the herein alleged acts which violate the 1972 Act, 70 P.S. § 1-101, *et seq.*, and its regulations.
7. In or about August 2016, the Bureau commenced an Exam of A. Neff which revealed that Respondent's investment adviser business was deficient in certain areas, including the maintenance of required books and records and failing to ensure that material information contained in its Form ADV remained current and accurate.

VIOLATIONS

8. By engaging in the acts and conduct set forth in paragraphs 5 through 7 above, the Respondent has willfully violated Section 304(a) of the 1972 Act and Regulation 304.012(a) which require that an investment adviser make and keep all accounts, correspondence, memoranda, papers, books and other records which the Department by regulation prescribes 70 P.S. § 1-304(a), 10 Pa. Code § 1-304.012(a).

9. By engaging in the acts and conduct set forth in paragraph 5 through 7 above, the Respondent has willfully violated Section 304(c) of the 1972 Act and Regulation 303.012(d) which require that an investment adviser ensure that material information contained in its Form ADV remains current and accurate. 70 P.S. § 1-304(c), 10 Pa. Code § 303.012(d).

AUTHORITY

10. Because the Respondent engaged in acts and practices in wilful violation of Section 304 of the 1972 Act, 70 P.S. § 1-304, the Department has the authority to deny, suspend, revoke or condition the securities registration of the Respondent pursuant to Section 305(a)(v) of the 1972 Act, 70 P.S. § 1-305(a)(v).

11. Because the Respondent engaged in acts and practices in wilful violation of Section 304 of the 1972 Act, 70 P.S. § 1-304, the Department has the authority to order the Respondent to pay the costs of the investigation pursuant to Section 602.1(b), 70 P.S. § 1-602.1(b).

RELIEF

12. Contemporaneously with the submission of an executed Consent Agreement and Order, the Respondent shall pay the Department investigative and legal costs in the amount of \$5,000. Payment shall be made by certified check or money order made payable to the "Department of Banking and Securities" and shall be mailed or delivered, in person, to the Bureau of Securities Compliance and Enforcement located at 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

13. The Respondent is ORDERED to comply with the 1972 Act, and Regulations adopted by the Department, and, in particular, Section 304, 70 P.S. § 1-304 of the 1972 Act.

14. Should the Respondent fail to pay investigative and legal costs as set forth in paragraph 12 above, the sanctions set forth elsewhere in the Order shall continue in full force and effect until full payment is made. However, this provision shall not be construed as affording the Respondent the option of either paying the costs or being indefinitely subject to the sanctions.

15. Should the Respondent fail to comply with any and all provisions of this Order, the Department may impose additional sanctions and costs and seek other appropriate relief subject to the Respondent's right to a hearing pursuant to the 1972 Act.

FURTHER PROVISIONS

16. Consent A. Neff hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's authority under the 1972 Act and agrees that it understands all of the terms and conditions contained herein. A. Neff, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

17. Entire Agreement. This Order contains the entire agreement between the Department and the Respondent. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Department and the Respondent.

18. Binding Nature. The Department and the Respondent and all heirs and assigns of them intend to be and are legally bound by the terms of this Order.

19. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

20. Effectiveness. The Respondent hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order (“Effective Date”).

21. Other Enforcement Action

a. The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against the Respondent in the future regarding all matters not resolved by this Order.

b. The Respondent acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

c. The Respondent acknowledges and agrees that this Order does not preclude any other agency from instituting administrative, civil or criminal proceedings that may be related to matters addressed by this Order.

22. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

23. Counterparts. This Order may be executed in separate counterparts, by facsimile and by PDF

24. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

25. Finding. The Department finds that it is necessary and appropriate in the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue this Order.

WHEREFORE, inconsideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities Licensing, Compliance and Examinations and Arlene M. Neff d/b/a A. Neff Associates, intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES,
BUREAU OF SECURITIES COMPLIANCE AND EXAMINATIONS**

Redacted

Joseph J. Minisi, Jr.
Deputy Secretary of Securities

Date: 9-25-17



FOR ARLENE M. NEFF d/b/a A. NEFF ASSOCIATES

Redacted

(Signature)

ARLENE M. NEFF

(Print Name)

Sole Proprietor/Owner

(Title)

Date: 9/15/17
