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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

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

PA DEPARTMENT OF
BANKING AND SECURITIES

DOCKET No. 19 0106 (SEC-CAO)

v.

CADARET GRANT & CO INC.

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 of the business practices of Cadaret Grant & Co., Inc. (“CG”) and its officers and employees. Based on the results of its investigation, the Bureau has concluded that CG has operated in violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101 *et seq.* (“1972 Act”). CG, in lieu of litigation, and without admitting or denying the allegations herein, and intending to be legally bound, hereby agrees to the terms of this Consent Agreement and Order (“Order”).

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania’s administrative agency authorized and empowered to administer and enforce the 1972 Act.
2. The Bureau is primarily responsible for administering and enforcing the 1972 Act for the Department.
3. CG (CRD # 10641) was, at all times material herein, a New York based entity with an address at 110 W. Fayette Street, 5th Floor, Syracuse, New York 13202.

4. From January 2015 through the present, CG has been registered as an investment adviser with the United States Securities and Exchange Commission (“SEC”) under section 203(c) of the investment Advisers Act of 1940 and is a federally covered adviser as defined under Section 102(f.1) of 1972 Act, 70 P.S. §1-102(f.1).

5. From January 2015 through the present, CG has been Notice Filed in Pennsylvania as an investment adviser pursuant to Section 301(f) of 1972 Act, 70 P.S. §1-301(f).

6. From January 2015, until September 2019, CG failed to register at least one employee as an investment adviser representative in Pennsylvania.

VIOLATION

7. By engaging in the acts and conduct set forth in paragraphs 4 through 6 above, CG employed at least one unregistered investment advisor in violation of Section 301(c.1)(1)(ii) of the 1972 Act, 70 P.S. § 1-301(c.1)(1)(ii).

RELIEF

8. Within 30 days of the Effective date of this Order, as defined in Paragraph 15, CG shall pay the Department an administrative assessment in the amount of \$90,000.00. 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 Examinations located at 17 N. Second Street, Suite 1300, Harrisburg, Pennsylvania 17101.

9. This Order is not intended to indicate that CG or any of its affiliates or current or former employees should be subject to any disqualification contained in the federal securities laws, the rules and regulations thereunder; the rules and regulations of self-regulatory organizations or various states’ securities laws, including the provisions of the 1972 Act and regulations

promulgated thereunder; and is not intended to form the basis of any such disqualifications. In addition, this Order is not intended to form the basis of (a) a statutory disqualification under Section 3(a)39 of the Securities Exchange Act; (b) any disqualification under Rule 506(d)1 of Regulation A (17 C.F.R. 230.506(d)); (c) any disqualification event under Rule 262(a) of Regulation A (17 C.F.R. 230.262(a)); or (d) any disqualification from relying upon any other registration exemptions or safe harbor provisions under federal or state securities laws, rules, and regulations.

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

FURTHER PROVISIONS

11. Consent. CG 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. CG, 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.

12. Entire Agreement. This Order contains the entire agreement between the Department and CG. 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 CG.

13. Binding Nature. The Department, CG, and all officers, owners, directors, employees, heirs and assigns of CG intend to be and are legally bound by the terms of this Order.

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

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

16. 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 CG in the future regarding all matters not resolved by this Order.

(b) CG 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.

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

18. Counterparts. This Order may be executed in separate counterparts, by facsimile and/or by PDF.

19. 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.


20. 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, in consideration of the foregoing, including the recital paragraphs, the

Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities Compliance and Examinations and Cadaret Grant & Co. Inc., 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, Deputy Secretary for Securities

Date: _____

12/17/19



FOR CADARET GRANT & CO. INC.

Redacted

Donald Taylor

Chief Operating Officer/Chief Financial Officer