

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. 200053 (SEC-CAO)

v.

AMERITAS INVESTMENT COMPANY, LLC

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 Ameritas Investment Company, LLC (“AIC”) and its officers and employees. Based on the results of its investigation, the Bureau has concluded that AIC has operated in violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101 *et seq.* (“1972 Act”). AIC, 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. AIC (CRD # 14869) is a Nebraska limited liability company with an address at 5900 O Street, Lincoln, Nebraska 68510.

4. From January 1998 through the present, AIC 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 the 1972 Act, 70 P.S. § 1-102(f.1).

5. From January 1998 through the present, AIC has been Notice Filed in Pennsylvania as an investment adviser pursuant to Section 301(f) of the 1972 Act, 70 P.S. § 1-301(f).

6. From January 2015 until June 2019, AIC 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, AIC employed at least one unregistered investment adviser in violation of Section 301(c.1)(1)(ii) of the 1972 Act, 70 P.S. § 1-301(c.1)(1)(ii).

RELIEF

8. AIC shall pay the Department an administrative assessment in the amount of \$100,000.00. 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. The administrative assessment shall be paid as follows:

- a. \$8,333.33 within 30 days of the Effective Date of this Order, as defined in paragraph 17;
- b. \$8,333.33 on or before December 31, 2020;

- c. \$8,333.33 on or before January 31, 2021;
- d. \$8,333.33 on or before February 28, 2021;
- e. \$8,333.33 on or before March 31, 2021;
- f. \$8,333.33 on or before April 30, 2021;
- g. \$8,333.33 on or before May 31, 2021;
- h. \$8,333.33 on or before June 30, 2021;
- i. \$8,333.33 on or before July 31, 2021;
- j. \$8,333.33 on or before August 31, 2021;
- k. \$8,333.33 on or before September 30, 2021; and
- l. \$8,333.37 on or before October 31, 2021.

10. AIC is ORDERED to comply with the 1972 Act, and Regulations adopted by the Department, and in particular Section 301(c.1)(1)(ii) of the 1972 Act, 70 P.S. § 1-301(c.1)(1)(ii).

11. Should AIC fail to pay the assessment as set forth in paragraphs 8 and 9 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 AIC the option of either paying the assessment or being indefinitely subject to the sanctions.

12. Should AIC 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 AIC's right to a hearing pursuant to the 1972 Act.

FURTHER PROVISIONS

13. Consent. AIC 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. AIC, 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.

14. Entire Agreement. This Order contains the entire agreement between the Department and AIC. 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 AIC.

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

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

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

18. 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 AIC in the future regarding all matters not resolved by this Order.

(b) AIC 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.

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

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

21. 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.

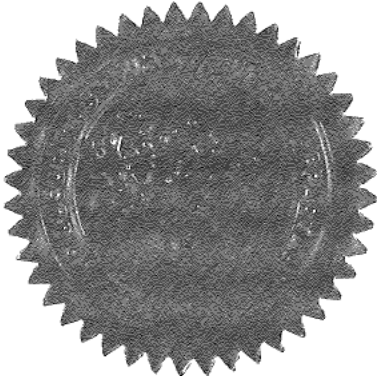
22. Finding. The Department finds that it is necessary and appropriate in the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue this Order.

WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities Compliance and Examination and Ameritas Investment Company, LLC, 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

Wendy Spicher, Acting Deputy Secretary for Securities
Date: 10/26/2020



FOR AMERITAS INVESTMENT COMPANY, LLC

Redacted

(Signature)

Heather Nagengast

(Print Officer Name)

Date: 10/26/20