

3. Aequitas, CRD # 312693, was, at all material times herein, a Pennsylvania limited liability company with an address at Redacted

4. From in or about April 29, 2021 through the present, Aequitas has been registered in Pennsylvania as an investment advisor pursuant to Section 301(c) of the 1972 Act, 70 P.S. §1-301(c).

5. From in or about April 29, 2021 until the present, Aequitas did not maintain a reasonable system for applying and enforcing written procedures pertaining to the purchase, sale and exchange of inverse and leveraged exchange-traded funds (“ETFs”) on behalf of its clients who were residents of Pennsylvania.

VIOLATION

6. By engaging in the acts and conduct set forth in paragraphs 3 through 5 above, Respondent Aequitas failed to establish and maintain written procedures with respect to leveraged ETFs and a system for applying and enforcing those written procedures which are reasonably designed to achieve compliance with the 1972 Act and other securities laws and regulations, and failed to keep a copy of the written procedures with respect to leveraged ETFs at each location where it conducted business, which acts and conduct form a basis to deny, suspend, revoke, or condition the registration of Respondent Aequitas or to censure Respondent Aequitas pursuant to Section 305(a)(v) of the 1972 Act, 70 P.S. § 1-305(a)(v), and Regulation 305.011(a), (c), 10 Pa. Code § 305.011(a), (c), promulgated thereunder.

RELIEF

7. Aequitas shall pay the Department an administrative assessment in the amount of \$7,500.00. 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. The assessment shall be paid as follows:

- a. \$937.50 on or before October 15, 2023;
- b. \$937.50 on or before January 15, 2024;
- c. \$937.50 on or before April 15, 2024;
- d. \$937.50 on or before July 15, 2024;
- e. \$937.50 on or before October 15, 2024;
- f. \$937.50 on or before January 15, 2025;
- g. \$937.50 on or before April 15, 2025; and
- h. \$937.50 on or before July 15, 2025.

8. Aequitas is ORDERED to comply with the 1972 Act, and Regulations adopted by the Department, and in particular Section 305(a)(v) of the 1972 Act, 70 P.S. § 1-305(a)(v).

9. Should Aequitas fail to pay the assessment as set forth in paragraph 7 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 Aequitas the option of either paying the assessment or being indefinitely subject to the sanctions.

10. Should Aequitas 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 Aequitas's right to a hearing pursuant to the 1972 Act.

FURTHER PROVISIONS

11. Consent. Aequitas 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. Aequitas, 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 Aequitas. 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 Aequitas.

13. Binding Nature. The Department, Aequitas, and all officers, owners, directors, employees, heirs and assigns of Aequitas 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. Aequitas 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 Aequitas in the future regarding all matters not resolved by this Order.

(b) Aequitas 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 Aequitas Capital, 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

Eric Pistilli, Deputy Secretary for Securities

Date: 10/13/2023



FOR AEQUITAS EQUITAS WEALTH MANAGEMENT, LLC

Redacted

Brent Chavez, Owner and Managing Member

Date: 10/9/23