

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES**

COMMONWEALTH OF PENNSYLVANIA	:	Docket No.: 230042 (SEC-OSC)
	:	
DEPARTMENT OF BANKING AND SECURITIES, BUREAU OF SECURITIES COMPLIANCE AND EXAMINATIONS	:	
	:	
v.	:	
	:	
TRUE HORIZON WEALTH ADVISORS, 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”), investigated the business practices of True Horizon Wealth Advisors, LLC (“THWA”). Based on the results of its investigation, the Bureau has concluded that THWA operated in violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101 *et seq.* (“1972 Act”). THWA, in lieu of litigation, and without admitting or denying the allegations herein, and intending to be legally bound, hereby agree 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. The Bureau operates from the Department’s main office located at 17 North Second Street, Suite 1300, Harrisburg, Pennsylvania 17101.

4. THWA, CRD #170330, was, at all times material herein, a Pennsylvania limited liability company with an address of 603 Swedesford Road, Malvern, Pennsylvania 19355.

FACTUAL ALLEGATIONS

5. From in or about August 2014 to present, THWA was registered pursuant to Section 301 of the 1972 Act, 70 P.S. § 1-301, as an investment adviser.

6. Regulation 102.021, 10 Pa. Code § 102.021, defines “custody” as: “[f]or purposes of an investment adviser, if a related person holds directly or indirectly, client funds or securities, or has authority to obtain possession of them, in connection with advisory services the investment adviser provides to clients.”

7. “Custody” includes “[a]ny arrangement (including a general power of attorney) under which the investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian on the investment adviser’s instruction to the custodian.” 10 Pa. Code § 102.021.

8. On May 15, 2023, the Bureau conducted a routine examination of THWA at its place of business, pursuant to § 1-304(d) of the 1972 Act, 70 P.S. § 1-304(d).

9. From in or about March 2020 to July 2023, THWA was authorized to deduct fees for advisory services from its clients’ accounts that were maintained with a third-party custodian, TD Ameritrade, as set forth in its advisor services agreement.

10. By having authorization to deduct fees for advisory services from client accounts, THWA, in connection with advisory services provided by THWA, directly or indirectly held client funds or securities with the authority to obtain possession of them or the ability to appropriate them and thus had “custody” over client funds or securities as defined in 10 Pa. Code § 102.021(a).

11. Regulation 304.022(a), 10 Pa. Code 304.022(a), requires that an investment adviser who has custody of client funds or securities shall file an audited balance sheet as of the end of its fiscal year.

12. THWA's fiscal year ends on December 31.

13. From March 2020 to July 2023, THWA did not file the required audited balance sheet with the Department as of the end of its fiscal year.

VIOLATIONS

14. By engaging in the acts and conduct set forth in paragraphs 5 through 13 above, THWA had custody over client funds or securities and failed to file with the Department an audited balance sheet as of the end of its fiscal year, which acts and conduct form a basis to deny, suspend, revoke, or condition the registration of THWA or censure THWA pursuant to Section 305(a)(v) of the 1972 Act, 70 P.S. § 1-305(a)(v), and Regulation 304.022(a), 10 Pa. Code § 304.022(a).

RELIEF

15. THWA shall pay the Department an administrative assessment in the amount of \$15,000. Payment shall be made within thirty (30) days of the Effective Date of this Order by certified check or money order that is 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.

16. THWA is ORDERED to comply with the 1972 Act, and Regulations adopted by the Department, and in particular Section 305 of the 1972 Act and Regulation Section 304.022(a).

17. Should THWA fail to pay the assessment as set forth in paragraph 15 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 THWA the option of either paying the assessment or being indefinitely subject to the sanctions.

18. Should THWA 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 THWA's right to a hearing pursuant to the 1972 Act.

FURTHER PROVISIONS

19. Consent. THWA hereby knowingly, willingly, voluntarily, and irrevocably consent to the entry of this Order pursuant to the Bureau's authority under the 1972 Act and agree that they understand all the terms and conditions contained herein. THWA, 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.

20. Entire Agreement. This Order contains the entire agreement between the Department and THWA. 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 THWA.

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

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

23. Effectiveness. THWA hereby stipulate and agree that the Order shall become effective on the date the Bureau executes the Order.

24. Other Enforcement Action.

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

(b) THWA acknowledge and agree 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.

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

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

27. 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.

28. Finding. The Department finds that it is necessary and appropriate, in the public interest 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 THWA, intending to be legally bound, do hereby execute this Consent Agreement and Order.

SIGNATORY PAGE TO FOLLOW

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

Redacted

Eric Pistilli, Deputy Secretary for Securities

Date: 01/30/2024



FOR TRUE HORIZON WEALTH ADVISORS, LLC

Redacted

(Signature)

Eric J Pinhalla
(Print Officer Name)

Date: 1/29/2024