



STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

RICK SNYDER
GOVERNOR

SHELLY EDGERTON
DIRECTOR

Complaint No. 329922

**WEALTH MANAGEMENT GROUP, INC.
CRD NO. 124527**

FINE PAYMENT INSTRUCTIONS

The FINE must be received by the Department on or before March 24, 2017. The FINE must be paid by cashier's check or money order, with the Complaint No. clearly indicated on the check or money order, made payable to the State of Michigan, and sent to the address indicated below.

Once the FINE has been overdue for at least six months, it will be referred to the Michigan Department of Treasury for collection. Questions may be directed to Final Order Monitoring staff at (517) 241-9180.

To ensure the proper posting of the payment to your account, please mail the Fine Payment Processing Stub with your payment to:

Michigan Department of Licensing and Regulatory Affairs
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU
Final Order Monitoring – Securities & Audit Division
P.O. Box 30018 – Lansing, MI 48909

FINE PAYMENT PROCESSING STUB
Please return this with your payment.

Make your check or money order drawn from a U.S. financial institution payable to the STATE OF MICHIGAN.
Do not send cash.

Agency C3 ACCOUNT Code
10117

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| Complaint No.: 329922 <hr/> | Due: March 24, 2017 Total Amount Due: \$5,000.00 |
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LARA is an equal opportunity employer/program.
Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the matter of:

Complaint No. 329922

WEALTH MANAGEMENT GROUP, INC.
CRD# 124527

Respondent.

Issued and entered
This 23rd day of January, 2017

STIPULATION AND ORDER REVOKING INVESTMENT ADVISER REGISTRATION

A. RELEVANT INFORMATION AND STATUTORY PROVISIONS, under the Michigan Uniform Securities Act (2002) (the "Act"), 2008 PA 551, MCL 451.2101 *et seq.*:

1. Wealth Management Group, Inc. (CRD#124527) ("Respondent") is a Michigan corporation that was registered as an investment adviser in this state, until its registration was summarily suspended on March 10, 2016. Respondent was founded by and is wholly owned by Lawrence Roberson, whose investment adviser representative registration with the firm was also summarily suspended on that date.
2. On October 4, 2016, the Director of the Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau, who is the Administrator of the Act (the "Administrator"), issued a Notice of Intent to Revoke Investment Adviser Registration (the "Notice of Intent to Revoke") to Wealth Management Group, Inc. ("Respondent"), providing Respondent with notice and an opportunity to show compliance under the Administrative Procedures Act, 1969 PA 306, as amended, MCL 24.201 *et seq.*, and notice and an opportunity to request a hearing under MCL 451.2412. The Notice of Intent to Revoke also indicated the Administrator's intent to impose a civil fine of \$500,000.00 against Respondent under MCL 451.2412(3).
3. On November 3, 2016, the Department of Licensing and Regulatory Affairs ("Department"), Corporations, Securities & Commercial Licensing Bureau ("CSCL Bureau") received Respondent's timely request for a hearing on the Notice of Intent to Revoke.
4. Respondent and counsel for the CSCL Bureau agreed to hold Respondent's hearing request in abeyance and preserve his hearing rights while the parties discussed possible resolution of the Notice of Intent to Revoke at a Compliance Conference held on December 6, 2016. At the Compliance Conference, Respondent indicated that he did not intend to contest the Notice of Intent to Revoke.

5. The Respondent and the Department (the "Parties") agree that a basis exists, pursuant to Section 412 of the Act, MCL 451.2412, for the Administrator to take disciplinary action against Respondent's investment adviser registration.

B. STIPULATION

In consideration of the foregoing facts and the following mutually agreed upon promises and covenants and other good and valuable consideration, the adequacy and sufficiency of which the Parties hereby expressly acknowledge, the Parties agree to this Stipulation and Order revoking Respondent's investment adviser registration with the following conditions and terms agreed to by the Parties below:

1. Respondent does not contest the facts alleged and law set forth in the Notice of Intent to Revoke.
2. The Administrator agrees to reduce the civil fine imposed against Respondent to Five Thousand Dollars and 00/100 Cents (\$5,000.00).
3. Respondent agrees to pay the Five Thousand Dollars and 00/100 Cents (\$5,000.00) civil fine to the State of Michigan within sixty (60) days from the mailing date of this Stipulation and Order. Complaint No. 329922 must be clearly indicated on the cashier's check or money order, and the payment sent to the Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau, Final Order Monitoring – Securities & Audit Division, P.O. Box 30018, Lansing, Michigan 48909.
4. Respondent agrees to withdraw its request for a hearing in agency no. 329922.
5. The Department will not consider or grant any application for a permit, registration, licensure, relicensure, reinstatement, or renewal submitted by Respondent under the Act until Respondent complies with all of the Department's final orders to which he is subject.
6. Respondent acknowledges that failure to comply with this Order may subject Respondent to additional administrative or criminal sanctions, fines, and/or penalties. Under MCL 451.2508, a person that willfully violates the Act, or an order issued under the Act, is guilty of a felony punishable by imprisonment for not more than 10 years or a fine of not more than \$500,000.00 for each violation, or both. An individual convicted of violating a rule or order under the Act may be fined, but shall not be imprisoned, if the individual did not have knowledge of the rule or order.
7. Both Parties acknowledge that this Stipulation and Order is final and binding upon its entry and waive any right to a hearing and/or appeal of this Stipulation and Order and the Notice of Intent to Revoke under the Act, the rules promulgated under the Act, and the Administrative Procedures Act, MCL 24.201 *et seq.* Both Parties acknowledge and agree

that they consulted with or had ample opportunity to consult with legal counsel of their choosing before signing this Stipulation.

Through their signatures, the Parties agree to comply with the above terms and conditions.

Dated: 1/13/17

Signed: Lawrence Roberson
Wealth Management Group, Inc.
Lawrence Roberson, Owner

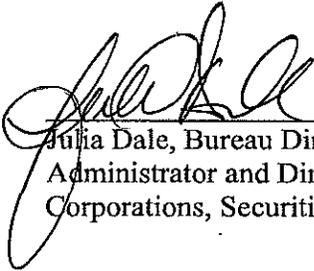
Dated: 1.18.17

Signed: Timothy L. Teague
Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial Licensing
Bureau

C. ORDER

NOW, THEREFORE, the Administrator ORDERS:

1. IN ACCORDANCE WITH THE FOREGOING FULLY EXECUTED STIPULATION RESPONDENT WEALTH MANAGEMENT GROUP, INC.'S INVESTMENT ADVISER REGISTRATION IS REVOKED, AS AUTHORIZED BY SECTION 412(2) OF THE ACT, MCL 451.2412(2).
2. RESPONDENT MUST PAY FIVE THOUSAND DOLLARS AND 00/100 CENTS (\$5,000.00) WITHIN SIXTY DAYS FROM THE MAILING DATE OF THIS FINAL ORDER, AS SPECIFIED IN PARAGRAPH B(3), AS AUTHORIZED BY SECTION 412(3) OF THE ACT, MCL 451.2412(3).



Julia Dale, Bureau Director
Administrator and Director
Corporations, Securities & Commercial Licensing Bureau

**STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU**

In the matter of:

Agency No. 329922

WEALTH MANAGEMENT GROUP, INC.
CRD# 124527

Respondent.
_____ /

Issued and entered
This 4th Day of October, 2016

**NOTICE OF INTENT TO REVOKE
INVESTMENT ADVISER REGISTRATION**

I. RELEVANT FACTS AND APPLICABLE LAW.

Relevant information and statutory provisions, under the Michigan Uniform Securities Act (2002), 2008 PA 551, as amended, MCL 451.2101 *et seq* (the "Securities Act"):

1. Wealth Management Group, Inc. (CRD#124527) ("Respondent") is a Michigan corporation that is registered as an investment adviser in this state. Respondent was founded by and is wholly owned by Lawrence R. Roberson ("Mr. Roberson"), a registered investment adviser representative of the firm.
2. Mr. Roberson's investment adviser representative registration (Exhibit 1 – Roberson Suspension) and Respondent's investment adviser registration (Exhibit 2 – Respondent Suspension) were suspended on or around March 10, 2016 because they impeded an examination of Respondent by the Corporations, Securities & Commercial Licensing Bureau ("the Bureau") within the State of Michigan Department of Licensing and Regulatory Affairs.
3. The Bureau began a routine examination of Respondent on or around June 2, 2015 pursuant to authority granted by section 411(4) of the Securities Act, MCL 451.2411(4). Mr. Roberson and Respondent refused to cooperate with the examination, and were summarily suspended as a result. (Exhibits 1 and 2). Mr. Roberson and Respondent continue to impede the Bureau's examination as of the date of entry of this Notice of Intent to Revoke Investment Adviser Registration.
4. The Financial Industry Regulatory Authority ("FINRA") entered into an Acceptance, Waiver and Consent ("AWC") with Mr. Roberson in or around July of 2016. (Exhibit 3 – FINRA AWC). The AWC outlines violations of federal securities antifraud provisions through Roberson's investment adviser firm, the Respondent named herein.

Roberson, through Respondent, and under the guise of providing investment advice to a client, solicited an investment from the client in a “WMG 2015 Bond Debenture”, which was a sham security. Roberson, as a result of the solicitation through Respondent, accepted \$40,000.00 from the client and subsequently utilized those funds for personal expenses, never putting the money towards an investment on the client’s behalf.

5. As a result of the conduct discussed in the FINRA AWC, the Bureau initiated an investigation that resulted in the issuance of a Cease and Desist Order against Mr. Roberson. (Exhibits 4 – Roberson C&D).
6. Respondent indicated on its form ADV registration application that neither Respondent nor any related persons (i.e., Mr. Roberson) had custody of client funds or securities (Exhibit 5 – Form ADV Excerpt); however, Respondent’s related person, Mr. Roberson, did take custody of client funds by accepting investment funds from Respondent’s clients. The representation on the form ADV was false.
7. The Director (“Administrator”) of the Bureau has reviewed materials relating to Respondent’s actions as a registrant under the Securities Act. The Administrator has determined that the REVOCATION OF RESPONDENT’S REGISTRATION AS AN INVESTMENT ADVISER is authorized, appropriate, and in the public interest based upon Respondent’s conduct discussed above and hereafter.
8. Section 412(2) of the Securities Act, MCL 451.2412(2), states:

If the administrator finds that the order is in the public interest and subsection (4) authorizes the action, an order under this act may revoke... the registration of a registrant and if the registrant is a broker-dealer or investment adviser, of a partner, officer, or director, or a person having a similar status or performing similar functions, or a person directly or indirectly in control of the broker-dealer or investment adviser...

9. Section 412(3) of the Securities Act, MCL 451.2412(3) states:

If the administrator finds that the order is in the public interest and subsection (4)(a) to (f), (i) to (j), or (l) to (n) authorizes the action, an order under this act may censure, impose a bar, or impose a civil fine in an amount not to exceed a maximum of \$10,000.00 for a single violation or \$500,000.00 for more than 1 violation on a registrant and, if the registrant is a broker-dealer or investment adviser, on a partner, officer, or director, a person having a similar status or performing similar functions, or a person directly or indirectly in control of the broker-dealer or investment adviser.

10. Section 412(4) of the Securities Act, MCL 451.2412(4) states in relevant part:

(a) The person filed an application for registration in this state under this act or the predecessor act within the previous 10 years, which, as of the effective date of

registration or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained a statement that, in light of the circumstances under which it was made, was false or misleading with respect to a material fact.

(b) The person willfully violated or willfully failed to comply with this act or the predecessor act or a rule adopted or order issued under this act or the predecessor act within the previous 10 years.

(h) The person refuses to allow or otherwise impedes the administrator from conducting an audit or inspection under section 411(4) or refuses access to a registrant's office to conduct an audit or inspection under section 411(4).

(m) The person has engaged in dishonest or unethical practices in the securities, commodities, investment, franchise, banking, finance, or insurance business within the previous 10 years...

11. Section 412(7) of the Securities Act, MCL 451.2412(7) states:

(7) Except under subsection (6), an order shall not be issued under this section unless all of the following have occurred:

- (a) Appropriate notice has been given to the applicant or registrant.
- (b) Opportunity for hearing has been given to the applicant or registrant.
- (c) Findings of fact and conclusions of law have been made on the record pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

12. The Administrator may revoke Respondent's investment adviser registration pursuant to section 412(2) of the Securities Act, MCL 451.2412(2), because it is in the public interest, and because:

- a. Respondent failed to update its form ADV to reflect that it or its affiliated person, Lawrence Roberson, had custody of client funds, contrary to section 412(4)(a) of the Securities Act, MCL 451.2412(4)(a);
- b. Respondent, through Lawrence Roberson, willfully violated or failed to comply with the Securities Act by selling unregistered securities, contrary to section 301 of the Securities Act, MCL 451.2301; by taking custody of client funds, contrary to section 411(6), MCL 451.2411(6); by misstating material information in the offer and sale of securities, contrary to section 501 of the Securities Act, MCL 451.2501; and by engaging in an act, practice, or course of business that operated

as a fraud or deceit upon another person in the provision of investment advice, contrary to section 502 of the Securities Act, MCL 451.2502;

- c. Respondent, through Lawrence Roberson, impeded the Bureau's examination, contrary to section 411(4), MCL 451.2411(4), by failing to provide a balance sheet for Roberson, failing to answer or provide documentation to Bureau staff related to client accounts, and failing to provide information related to custody of client funds or securities (Exhibits 1 and 2); Respondent continues to impede the Bureau's examination or inspection of the firm, contrary to section 412(4)(h), MCL 451.2412(4)(h);
- d. Respondent, through Lawrence Roberson, engaged in dishonest and unethical behaviors in the securities industry by accepting investment funds from clients that resulted in multiple violations of the Securities Act, discussed more fully in paragraph (I)(12)(b), above, contrary to section 412(4)(m), MCL 451.2412(4)(m).

II. ORDER.

The Administrator finds that this ORDER is authorized, appropriate, and in the public interest based on the above-cited facts and law.

IT IS ORDERED as follows:

1. The Administrator intends TO REVOKE THE INVESTMENT ADVISER REGISTRATION OF WEALTH MANAGEMENT GROUP, INC. under section 412(2) of the Securities Act, MCL 451.2412(2), because it failed to update its form ADV; it willfully violated the Securities Act; it impeded the Bureau's examination; and it has engaged in dishonest and unethical business practices in the securities industry within the previous 10 years, all of which support the revocation of its investment adviser registration under the above-cited provisions of the Michigan Uniform Securities Act (2002), 2008 PA 551, MCL 451.2101 *et seq.*
2. In accordance with section 412(3) of the Securities Act, MCL 451.2412(3), the Administrator intends to impose a civil fine in the amount of \$500,000.00 against Respondent in her Final Order revoking Respondent's investment registration.
3. In accordance with sections 412(2) and 412(7) of the Securities Act, MCL 451.2412(2) and MCL 451.2412(7): This is NOTICE that the Administrator intends to commence administrative proceedings to REVOKE Respondent's investment adviser registration, and that Respondent has thirty (30) days after the date that this Order is served on Respondent to respond in writing to the enclosed Notice of Opportunity to Show Compliance. If the Administrator timely receives a written request, depending upon the election, the Administrator shall either promptly schedule a compliance conference, or schedule a hearing

within fifteen (15) days after receipt of the written request. If you fail to respond to this Notice and Order within the time frame specified, the Administrator shall schedule a hearing. If a hearing is requested or ordered, the Administrator, after notice of and an opportunity for hearing to Respondent, may modify or vacate this Order or extend the Order until final determination.

If Respondent requests a hearing, the request must be in writing and filed with the Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau, Regulatory Compliance Division, P.O. Box 30018, Lansing, MI 48909.

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

By: 

Julia Dale, Administrator and Director
Corporations, Securities & Commercial Licensing Bureau