

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

In the matter of:

Agency Nos. 339533 & 344026

ROBERT RUBARTH
CRD No. 2315888

Registrant.

This 1st day of September, 2021
Issued and entered

**ORDER LIFTING CONDITIONS FROM AGENT AND INVESTMENT ADVISER
REPRESENTATIVE REGISTRATIONS**

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

1. Robert Rubarth (“Registrant”), CRD No. 2315888, is conditionally registered as an agent and an investment adviser representative associated with Stifel, Nicolaus & Company, Incorporated (CRD#793, “Stifel”), a Michigan-registered broker-dealer and a federal covered investment adviser properly notice filed in Michigan. Registrant has been conditionally registered in both capacities since on or around February 20, 2020 when the Director (“Administrator”) of the Corporations, Securities, and Commercial Licensing Bureau (“the Bureau”) within the State of Michigan Department of Licensing and Regulatory Affairs issued a Stipulation and Order Approving Conditional Registration (“Conditional Registration Order”).
2. The Conditional Registration Order required, among other conditions, heightened supervision of Registrant by Stifel, along with periodic activity reviews with Registrant during the term of the Conditional Registration Order.
3. The Conditional Registration Order permitted Registrant and Stifel to request in writing that the conditions on Registrant’s registrations be lifted upon compliance with the conditions set forth in the Conditional Registration Order.
4. On or around May 5, 2021, the Bureau received a written request from Registrant and Stifel requesting that the conditions imposed on Registrant’s registrations by the Conditional Registration Order to be lifted. A review by Bureau staff of the written request and accompanying documents demonstrated sufficient compliance with the Conditional Registration Order such that lifting of the conditions imposed on Registrant’s registrations is appropriate and in the public interest.

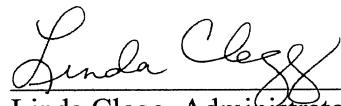
6. The Administrator has reviewed the information related to Registrant's Conditional Registration Order and his conduct thereunder and determined that it is authorized, appropriate, and in the public interest to lift the conditions imposed on Registrant by the Conditional Registration Order.

B. ORDER

THE ADMINISTRATOR ORDERS:

1. THE CONDITIONS IMPOSED BY THE FEBRUARY 20, 2020 STIPULATION AND ORDER FOR CONDITIONAL REGISTRATION ARE HEREBY LIFTED.
2. UNTIL FURTHER ORDER BY THE ADMINISTRATOR OR TERMINATION OF REGISTRANT'S REGISTRATIONS BY HIS EMPLOYING FIRM, REGISTRANT ROBERT RUBARTH, CRD NO. 2315888, IS REGISTERED AS AN AGENT AND AN INVESTMENT ADVISER REPRESENTATIVE ASSOCIATED WITH STIFEL, NICOLAUS & COMPANY, INCORPORATED WITHOUT CONDITION OR LIMITATION.
3. REGISTRANT'S REGISTRATION STATUSES AS AN AGENT AND AS AN INVESTMENT ADVISER REPRESENTATIVE ON THE CENTRAL REGISTRATION DEPOSITORY SHALL BE UPDATED TO "APPROVED" EFFECTIVE ON THE DATE OF SERVICE OF THIS ORDER.
4. THE ADMINISTRATOR RESERVES THE RIGHT TO REVOKE, SUSPEND, CONDITION, OR LIMIT REGISTRANT'S REGISTRATIONS IN THE FUTURE IF SUCH AN ORDER IS AUTHORIZED, APPROPRIATE, AND IN THE PUBLIC INTEREST UNDER SECTION 412 OF THE ACT, MCL 451.2412.

DEPARTMENT OF LICENSING & REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU



Linda Clegg, Administrator and Director
Corporations, Securities & Commercial
Licensing Bureau

9/11/2021
Date

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

In the matter of:

Complaint No. 339533

ROBERT RUBARTH
CRD# 2315888

Respondent.

Issued and entered
this 20th day of February, 20 20

STIPULATION AND ORDER
APPROVING CONDITIONAL REGISTRATION

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

1. On October 28, 2019, the State of Michigan, Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau (the "Bureau") and the Director of the Bureau, who serves as Administrator of the Act (the "Administrator"), issued a Notice of Intent to Revoke, Suspend, Condition, or Limit Securities Agent Registration (the "NOI") to Robert Rubarth, CRD# 2315888 ("Respondent") pursuant to MCL 451.2412(2), MCL 451.2412(3), MCL 451.2412(4), and MCL 451.4212(7).
2. Respondent is an individual who resides in the State of Michigan and is presently registered in Michigan as a securities agent and investment adviser representative through Stifel, Nicolaus & Company, Inc. ("Stifel," CRD/IARD# 793).
3. Respondent does not admit or deny the allegations set forth in the NOI and consents to entry of this Stipulation and Order Approving Conditional Registration only for the purpose of resolving the NOI in an expeditious fashion that avoids the time and expense associated with an administrative proceeding on the Hearing Request and any appeals therefrom.

4. Respondent will be working at the following address:

Address: Stifel, Nicolaus & Company, Inc.
50194 Schoenherr Road
Shelby Township, MI 48315

Telephone: 586-566-4999
E-mail: Bob.Rubarth@stifel.com

5. Respondent will be supervised by the following Supervisor or Compliance Officer at Stifel who works at the address indicated:

Name: David Smith, CRD No. 4361735
Title: Branch Manager, First Vice President/Investments
Address: 50194 Schoenherr Road
Shelby Township, MI 48315

Telephone: 586-566-4999
E-mail: Smithdav@stifel.com

6. The Parties have determined that: (a) protection of the investing public does not require additional disciplinary action if Respondent agrees to a reduced civil fine; (b) Respondent and Stifel agree to Respondent's registration subject to the terms and conditions specified in this Stipulation and Order; and (c) the conditional registration of Respondent pursuant to this Stipulation and Order is authorized by law and otherwise reasonable, appropriate, and in the public interest.
7. Respondent was represented by, and had the advice of, legal counsel throughout the process of resolving the NOI through this Stipulation and Order Approving Conditional Registration.

B. STIPULATION

The Parties agree to this Stipulation, enabling the Administrator to reduce the civil fine and to conditionally register Respondent as a securities agent and investment adviser representative, subject to Respondent's compliance with the following conditions:

1. The Parties agree that, effective upon entry of the attached Order, the NOI is resolved without further action by the Parties.

2. Respondent agrees to pay the Bureau a reduced civil fine in the settlement amount of \$7,500.00 (the "Reduced Civil Fine"). Respondent agrees to pay the Reduced Civil Fine within sixty (60) calendar days after the mailing date of this Stipulation and Order, once entered. The Reduced Civil Fine must be paid by cashier's check or money order made payable to the "State of Michigan," contain identifying information (name and "Complaint No. 339533"), and be mailed to the Bureau at the following address:

Corporations, Securities & Commercial Licensing Bureau
Securities & Audit Division – Final Order Monitoring
P.O. Box 30018
Lansing, MI 48909

3. Following entry of the attached Order, the Bureau will file a Form U6 reflecting the Parties' resolution of the NOI under this Stipulation and Order. In addition, the Bureau will update the Central Registration Depository (the "CRD") to reflect Respondent's registration as a securities agent and investment adviser representative as "APPROVED-RES [RESTRICTED]." This Stipulation and Order is a public record required to be published and made available to the public, consistent with section 11 of the Michigan Freedom of Information Act, MCL 15.241. The Bureau currently publishes copies of orders issued under the Act to the Bureau's website.

Compliance Review and Reporting

4. Respondent's securities agent and investment adviser representative registration will remain conditional and subject to this Stipulation and Order, and Respondent's supervisor agrees to supervise Respondent under this Stipulation and Order, for a minimum period of one (1) year from the date of this Stipulation and Order, unless extended as described in this Stipulation and Order (the "Conditional Registration Term"). One year after the date of this Stipulation and Order, Stifel may submit a written request to the Bureau, at the address indicated in Paragraph B.2, that the conditions be lifted from Respondent's registration and providing a reasonable basis for the request. Stifel's written request to lift Respondent's conditional registration must include: (a) documentation identified in Paragraphs B.11, B.12, B.14, and B.15 which memorialize Stifel's monthly supervisory reviews required under paragraph B.12; and (b) any additional information specifically required by this Stipulation and Order. Respondent's registration will remain conditional, and the Conditional Registration Term continues, until the Administrator issues an order removing the conditions imposed by this

Stipulation and Order after consideration of Stifel's written request contemplated by this paragraph.

5. Any changes to Paragraphs A.3 or A.4 of this Stipulation and Order must be reported through appropriate filings on the IARD/CRD system within thirty (30) days.
6. Respondent and Stifel must separately report to the Bureau any: (a) customer complaints (written or verbal); (b) disciplinary actions; and (c) other changes to Respondent's answers to the Disclosure Questions on the Form U4 (a "Reportable Event") that arise during the Conditional Registration Term, regardless of whether Respondent is required to report this information on the Form U4, within twenty-one (21) days after receipt of the information. Reporting this information on the CRD system alone will not satisfy this requirement. Respondent must also supply the Bureau a copy of his revised Form(s) U4 upon its filing through the CRD. These items must be reported to the Bureau in writing directly at the address indicated in Paragraph B.2 and must include the following information regarding each customer complaint or Reportable Event:
 - a. A summary of the Reportable Event including supporting documentation.
 - b. If related to a customer complaint, include:
 - i. Client name, address, telephone number and e-mail address, if any.
 - ii. A copy of any written complaint.
 - iii. A written summary of any verbal complaint or other Reportable Event.
 - iv. Current status of the complaint or other Reportable Event, including the resolution, if any.
7. Respondent and Stifel acknowledge that a new complaint or other reportable item on Respondent's Form U4 may extend the supervisory period.
8. All new accounts for Respondent's Michigan customers will be reviewed and approved by Stifel before the execution of the initial transaction(s) in any new accounts.
9. Respondent will be required to obtain pre-approval from his supervisor for any Unit Investment Trust ("UIT") liquidation completed prior to maturity, which would include any UIT switch/roll. Respondent will complete a Transaction Request and Approval Form and obtain approval prior to placing

the trade(s). Respondent will include documentation to support the reason for the UIT liquidation prior to maturity, even if the transaction will result in a switch/roll. Respondent's supervisor will determine if a UIT Switch Letter is required in addition to the Transaction Request and Approval Form. If approved, Respondent will provide documentation of disclosure to the client regarding fees associated with UIT transaction(s) to his supervisor. An "early sale" of UITs is defined as a holding period of less than maturity. Respondent may utilize a preapproved form describing the associated fees which may be provided or approved by Stifel. Stifel will retain the approved forms and Respondent's documentation of disclosure to the client.

10. Respondent will be required to obtain pre-approval for short-term sales of long-term products, such as preferred stock, fixed income, new issue fixed income, and mutual funds. "Short-term sale" of long-term products is defined as a holding period of less than maturity. For mutual fund Class A shares, this period is less than five (5) years from the purchase date. Respondent will complete a Transaction Request and Approval Form and obtain approval from his supervisor prior to placing the trade(s). If approved, Respondent will provide documentation of disclosure to the client regarding fees associated with early sales of long-term products to his supervisor. His supervisor will document and retain and Respondent's documentation of disclosure to the client.
11. Monthly, Stifel will review Respondent's UIT trades by selecting a sample of clients to contact, if necessary. Stifel will maintain documentation of any client contact and conversations.
12. Respondent and his supervisor will meet on a monthly basis to review the activity in his book of business at Stifel. The monthly meetings will be memorialized in a writing which will be initialed and dated by both Respondent and his supervisor. Additionally, any supervisory notes regarding the Respondent's business or specific accounts will be documented as evidence of supervisory review. The aforementioned documentation will be retained by Stifel and provided to the Bureau upon request.
13. On a monthly basis, Respondent's supervisor will review Respondent's UIT and long-term product activity for the following:
 - a. Confirm UIT switch transactions have received pre-approval;
 - b. Determine the status of any UIT Switch Letter requested by Respondent;

- c. Confirm that liquidations of UITs held less than maturity were pre-approved;
- d. Confirm that early sales of long-term products were pre-approved;
- e. Confirm that Respondent has provided his documentations/notes for disclosure to clients to support preapproved transactions.

Any discrepancies should be reviewed with Respondent and brought to the attention of the Stifel Compliance Department. Respondent's supervisor must document any discrepancy and maintain the documentation to be submitted with any request to lift the conditional registration pursuant to paragraph B.4. Stifel shall notify the Bureau of excessive discrepancies within ten (10) days of the reporting of any excessive discrepancies by Respondent's supervisor.

- 14. Respondent will not act in any principal, supervisory, or managerial capacity.
- 15. A monthly affirmation confirming the above requirements have been met will be completed and signed by Respondent's supervisor and the original will be maintained by Stifel.
- 16. A monthly affirmation confirming the above requirements have been met will be completed and signed by Respondent and the original will be maintained by Stifel.
- 17. These supervisory provisions apply to all accounts handled under Respondent's broker number and any accounts for which Respondent is part of a split representative number.
- 18. Any deficiencies noted or other disciplinary events may extend the duration of the Conditional Registration.
- 19. Stifel is not required to submit Respondent's monthly supervisory reviews to the Bureau on a periodic basis. However, Stifel must maintain evidence of such review and provide them to the Bureau: (a) to support a request to lift Respondent's conditional registration as provided in Paragraph B.4 of this Stipulation and Order; and (b) upon request by the Bureau within ten (10) calendar days for any other reason.
- 20. If any monthly supervisory review reveals that Respondent is not in compliance with this Stipulation and Order or the Act, then Stifel must immediately report the non-compliance to the Bureau in writing at the address in paragraph B.2.

21. Stifel will not transfer the registration of Respondent to another broker-dealer, pursuant to a mass transfer, without prior approval of the Bureau while this Stipulation and Order is in effect.

Additional Provisions

22. No bar or finding of fraud. This Stipulation and Order adopting same is neither a final order imposing a bar nor a final order based upon violations of any Michigan statute, rule, or regulation that prohibits fraudulent, manipulative, or deceptive conduct.
23. Respondent and Stifel will fully cooperate with the Bureau in any investigation, audit, or examination relating to Respondent's activities.
24. Respondent and Stifel acknowledge and agree that upon their failure to comply with any requirements imposed by this Stipulation and Order, the Administrator is entitled to and may immediately: (a) suspend all registrations held by Respondent under the Act; (b) deny any renewal registrations submitted by him; and (c) deny any future applications for registration submitted by him. A summary suspension under this paragraph is effective upon written notice to Respondent given by the Administrator or her designee in accordance with MCL 451.2412(6) and MCL 451.2412(7). Respondent and Stifel further acknowledge and agree that the Administrator may pursue any other available contractual, administrative, or judicial remedies to enforce this Stipulation and Order. Respondent may voluntarily surrender or withdraw a registration under the Act; however, such surrender or withdrawal will not negate the previously mentioned actions against the relevant registration or additional disciplinary proceedings if a violation of this Stipulation and Order or the Act occurred.
25. Respondent further acknowledges and agrees that: (a) the Administrator has jurisdiction and authority to enter the attached Order; (b) the attached Order may be entered without any further notice to Respondent; and (c) upon entry of the attached Order, it is final and binding, and Respondent waives any right to a hearing that exists under the Act, the rules promulgated under the Act or the predecessor Act, the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 et seq., or other applicable law.
26. The Parties understand and agree that this Stipulation and Order will be presented to the Administrator for her final approval as evidenced by its entry, and that the Administrator may, in her sole discretion, decide to accept


or reject this Stipulation and Order. If the Administrator accepts this Stipulation and Order by entering it, this Stipulation and Order becomes fully effective and binding. If the Administrator rejects this Stipulation and Order by refusing to enter it, the Parties waive any objection to submitting the Hearing Request for adjudication through a formal administrative proceeding and the Administrator remaining the final decisionmaker at the conclusion of that proceeding.

27. The Parties acknowledge and agree that this Stipulation and Order contains the entire understanding of the Parties and supersedes and forever terminates all prior and contemporaneous representations, promises, agreements, understandings, and negotiations, whether oral or written, with respect to its subject matter. The Parties further agree that this Stipulation and Order may only be amended, modified, or supplemented by a duly executed writing signed by each party and approved by Order of the Administrator.
28. The Parties acknowledge and represent that: (a) each party has read this Stipulation and Order in its entirety and fully understands all of its terms, conditions, ramifications, and consequences; (b) each party unconditionally consents to the terms of this Stipulation and Order; (c) each party has consulted with or had ample opportunity to consult with legal counsel of his, her, or its choosing prior to executing this Stipulation; (d) each party has freely and voluntarily signed this Stipulation; and (e) the consideration received by each party as described in this Stipulation and Order is adequate.
29. The Parties agree that they may execute this Stipulation in any number of counterparts, each of which shall be deemed an original hereof, but which together shall constitute one and the same instrument and agreement, and that facsimile or electronically-transmitted signatures may be attached to this Stipulation and shall be binding on such party as an original signature.
30. The signatories to this Stipulation below represent and warrant that they have the legal capacity and authority to enter into this Stipulation on behalf of the named Parties and to bind the named Parties to the terms and conditions contained herein.

31. The Parties agree that facsimile or electronically transmitted signatures may be submitted in connection with this Stipulation and Order and are binding on that party to the same extent as an original signature.

Through their signatures, the Bureau, Respondent, and Stifel agree to comply to the above terms and conditions.

Dated: 2-5-20 Signed: 
Robert Rubarth, Respondent

Dated: 2-5-20 Signed: 
David Smith, Branch Manager,
First Vice President/Investments
Stifel, Nicolaus & Company, Inc.

Acknowledged and Reviewed by:

Dated: 2-10-20 Signed: 
Mark Kowalsky
Attorney for Respondent

Approved by:

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

31. The Parties agree that facsimile or electronically transmitted signatures may be submitted in connection with this Stipulation and Order and are binding on that party to the same extent as an original signature.

Through their signatures, the Bureau, Respondent, and Stifel agree to comply to the above terms and conditions.

Dated: _____ Signed: _____
Robert Rubarth, Respondent

Dated: _____ Signed: _____
David Smith, Branch Manager,
First Vice President/Investments
Stifel, Nicolaus & Company, Inc.

Acknowledged and Reviewed by:

Dated: _____ Signed: _____
Mark Kowalsky
Attorney for Respondent

Approved by:

Dated: 2.13.20 Signed: Timothy L. Teague
Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial Licensing
Bureau

C. ORDER

NOW, THEREFORE, the Administrator ORDERS:

IN ACCORDANCE WITH THE FOREGOING FULLY EXECUTED
STIPULATION, REGISTRANT ROBERT RUBARTH'S SECURITIES AGENT AND
INVESTMENT ADVISER REPRESENTATIVE REGISTRATION IS
CONDITIONALLY APPROVED.

A handwritten signature in black ink, appearing to read "Linda Clegg", is written over a horizontal line. The signature is fluid and cursive.

Linda Clegg, Administrator and Interim 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. 339533

ROBERT RUBARTH
CRD# 2315888

Respondent.

_____ Issued and entered
This 25th day of October, 2019

**NOTICE OF INTENT TO REVOKE, SUSPEND, CONDITION, OR LIMIT
SECURITIES AGENT AND INVESTMENT ADVISER REPRESENTATIVE
REGISTRATIONS**

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. Robert Rubarth (CRD#2315888, "Respondent") is an individual who resides in the State of Michigan. Respondent is presently registered in Michigan as a securities agent and an investment adviser representative through Stifel, Nicolaus & Company. ("Stifel", CRD/IARD#793), a Michigan-registered broker-dealer and federal covered investment adviser properly notice-filed in Michigan. Respondent was previously employed as a securities agent through Raymond James & Associates, Inc. ("Raymond James", CRD#705) until he was terminated over concerns related to unit investment trust ("UIT") trading in or around October of 2018.
2. The Corporations, Securities & Commercial Licensing Bureau ("the Bureau") within the Michigan Department of Licensing and Regulatory Affairs began an investigation of Respondent's activities in the securities industry after Raymond James notified the Bureau that it had terminated Respondent for concerns related to UIT trading.
3. The Bureau gathered evidence from Respondent, Stifel, and Raymond James in connection with its investigation of Respondent's activities in the securities industry in Michigan. The evidence collected showed that Respondent, during a review period between June of 2013 and May of 2018 repeatedly engaged in a pattern of UIT short hold transactions in customer accounts which resulted in Michigan investors paying excessive and accelerated fees and commissions. The pattern of behavior which caused Michigan investors to pay excessive and accelerated fees was dishonest or unethical under the Securities Act.

4. UITs are federally registered investment companies that hold fixed, non-managed securities portfolios which terminate on a predetermined date.
5. UITs typically charge investors in three phases. First, an up-front sales charge is assessed to the investor at the point of purchase; second, often in the second or third month after the offering period, a creation and development fee is charged; third, usually in months five, six, and seven of the UIT's lifespan, a deferred sales charge is assessed each month. Thereafter, the product is typically held without further fees until its maturity. Many UITs have maturities of 15 to 24 months, with some debt-based UITs terminating after several decades. At termination of a UIT, the securities held by the UIT are liquidated and the proceeds are distributed to investors, or investors may receive their pro rata share of the securities in kind. If an investor rolls the proceeds of the terminated UIT into a new UIT with the same sponsor, the cost of the subsequent UIT purchase is often at a lower cost to the investor than if it was a new UIT purchase.
6. Given the front-loaded nature of UIT fees and expenses, if an investor liquidates the UIT before maturity and uses the proceeds to purchase a new UIT, the investor loses the time that it would hold the UIT without further fees. Doing this repeatedly causes an investor to incur unnecessary fees at an accelerated rate, which is one reason that UITs are intended for buy-and-hold investors.
7. Broker-dealers and their agents receive more frequent, and therefore higher, fee and commission payments at the expense of investors when they repeatedly recommend pre-maturity liquidations of UITs, then subsequently recommend reinvestment of the proceeds in new UITs instead of allowing UITs to mature before reinvestment. These practices have been referred to by the Securities and Exchange Commission ("SEC") as "short-hold transactions"; by the Financial Industry Regulatory Authority ("FINRA") as "early rollovers or exchanges"; and by Raymond James in its correspondence with Bureau staff as "short hold switches".
8. Analysis by Bureau staff demonstrates that Respondent executed 1,043 UIT sell transactions between June of 2013 and May of 2018. Of those, 947 – approximately 91% of the sell transactions – were sold more than 100 days before UIT termination dates. On average, Respondent sold UITs more than 345 days before UIT termination dates.
9. Bureau staff reviewed samples of several individual accounts as well. In one example¹, Investors LR and JR, a married Michigan couple who are 76 and 72 years of age respectively, traded frequently in UITs during the review period identified in paragraphs I.3 and I.8. In LR's and JR's accounts, 46 of 48 sell trades were executed when the UIT was more than 100 days to termination, and on average, UIT positions were sold 376 days before UIT termination. The short-hold transactions in LR's and JR's accounts

¹ This is one of several examples reviewed by staff and is provided for illustrative purposes.

caused excessive and accelerated fees to be charged to them, and earned by Raymond James and Respondent.

10. The Director of the Bureau ("Administrator") has reviewed information related to Respondent's UIT trading while he was registered as a securities agent under the Securities Act. The Administrator has determined that it is authorized, appropriate, and in the public interest to revoke, suspend, condition, or limit Respondent's securities agent and investment adviser representative registrations as a result of his conduct.

11. Section 412(2) of the Securities Act, MCL 451.2412(2), states in relevant part:

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, suspend, condition, or limit the registration of a registrant and if the registrant is a broker-dealer or investment adviser, of a partner, officer, 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...

12. 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.

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

(4) A person may be disciplined under subsections (1) to (3) if any of the following apply to the person:

(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...

14. 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.

15. The Administrator may revoke, suspend, condition, or limit Respondent's securities agent and investment adviser representative registrations pursuant to section 412(2) of the Securities Act, MCL 451.2412(2), because it is in the public interest, and because Respondent engaged in dishonest or unethical practices in the securities industry within the previous ten years, giving the Administrator cause to issue an order under sections 412(2) and 412(4)(m) of the Securities Act, MCL 451.2412(2) and MCL 451.2412(4)(m).
16. The Administrator may censure, impose a bar, or impose a civil fine against Respondent pursuant to section 412(3) of the Securities Act, MCL 451.2412(3), because it is in the public interest, and because Respondent engaged in dishonest or unethical practices in the securities industry within the previous ten years, giving the Administrator cause to issue an order under sections 412(3) and 412(4)(m) of the Securities Act, MCL 451.2412(3) and 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, SUSPEND, CONDITION, OR LIMIT THE SECURITIES AGENT AND INVESTMENT ADVISER REPRESENTATIVE REGISTRATIONS OF ROBERT RUBARTH under section 412(2) of the Securities Act, MCL 451.2412(2), because he engaged in dishonest or unethical practices in the securities industry within the previous ten years, which supports the revocation, suspension, conditioning, or limitation of his securities agent and investment adviser representative registrations under the above-cited provisions of the Michigan Uniform Securities Act (2002), 2008 PA 551, MCL 451.2101 *et seq.*
2. In her final order, the Administrator intends to impose a civil fine of \$25,000.00 against Respondent under section 412(3) of the Securities Act, MCL 451.2412(3).
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, suspend, condition, or limit Respondent's securities agent and investment adviser representative registrations, 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
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

By:



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

10/28/19
Date