

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

In the matter of:

BEACON LEARNING GROUP, LLC  
Unregistered,

Complaint No. 343274

Respondent.

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Issued and entered  
this 27th day of July, 2021

**ADMINISTRATIVE CONSENT AGREEMENT AND ORDER**

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

1. On March 24, 2021, the State of Michigan, Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau (“Bureau”) and the Director of the Bureau, who serves as Administrator of the Act (“Administrator”), issued a Notice and Order to Cease and Desist (“Disciplinary Order”) to Beacon Learning Group, LLC alleging that it was acting as an unregistered investment adviser.
2. Beacon Learning Group, LLC (“Respondent”) is a Utah limited liability company which is not registered in any capacity under the Act and which has registered no securities offerings under the Act.

3. Following issuance of the Disciplinary Order, the Bureau and Respondent (collectively, “the Parties”) engaged in settlement negotiations resulting in this Administrative Consent Agreement and Order (“Consent Order”).
4. Respondent consulted with or had ample opportunity to consult with legal counsel of his choosing before executing this Consent Order.

## B. STIPULATION

The Parties agree to resolve the Disciplinary Order based on the following terms:

1. Respondent neither admits nor denies the allegations made in the Disciplinary Order and consents to entry of this Consent Order for the purpose of resolving the Disciplinary Order in an expeditious fashion that avoids the time and expense associated with an administrative hearing and any related appeals. This Consent Order is admissible only in a proceeding to enforce its provisions or an administrative proceeding under the Securities Act, but it is not admissible for any purpose in any other administrative, civil, or criminal proceeding.
2. Respondent agrees to comply with the Securities Act in connection with all future conduct and activities, including but not limited to, ensuring that Respondent does not operate as an unregistered investment adviser under the Securities Act. While not admitting or denying any prior wrongdoing, Respondent agrees to cease conducting business in the State of Michigan or with customers from the State of Michigan. Respondent agrees to

prominently state on its website that it does not engage in business with Michigan residents.

3. The Bureau agrees to reduce the civil fine proposed in the Disciplinary Order and Respondent agrees to pay a civil fine in the amount of Two Thousand Five Hundred Dollars (\$2,500.00) within sixty (60) calendar days after the issued and entered date of this Consent Order. The fine must be paid by check or money order made payable to the "State of Michigan," contain identifying information (name and "Complaint No. 343274"), and be mailed to:

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



4. If any portion of the fine is overdue, the Administrator may refer it to the Michigan Department of Treasury for collection action against Respondent or take other available legal action to collect the fine. Respondent is responsible for all costs and expenses incurred in complying with the terms of this Consent Order and must do so within the timeframe specified. Failure to comply within the time limitations will constitute a violation of this Consent Order. The Administrator retains the right to pursue any action or proceeding permitted by law to enforce its provisions.
5. Respondent's Hearing Request is revoked without further action by the Parties following the issuance and entry of this Consent Order.

6. This matter is a public record required to be published and made available to the public, under section 11 of the Michigan Freedom of Information Act, MCL 15.241. The Bureau publishes copies of orders issued under the Act to its website and includes a summary of order content in monthly disciplinary action reports separately published there.
7. The Administrator may use any of the facts set out in the Disciplinary Orders when considering future applications for registration by Respondent, and Respondent agrees to waive any assertion or claim under MCL 451.2412(9) which would otherwise bar the Administrator from consideration of those facts in making her determination.
8. Respondent must comply with any reasonable investigative demands made by the Bureau in the future for purposes of ensuring compliance with this Consent Order or the Act.
9. Respondent waives any right to a hearing or appeal of this Consent Order and the Disciplinary Orders under the Act, the rules promulgated under the Act, the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 *et seq.*, or other applicable law.
10. This Consent Order is fully effective and binding on its issued and entered date. The Administrator may accept or reject it. If the Administrator rejects it, the Bureau will submit the Hearing Request for adjudication through a formal administrative proceeding. The Parties waive any objection to the


Administrator remaining the final decisionmaker at the conclusion of that proceeding.

11. This Consent Order resolves only Respondents' activities, conduct, and Securities Act violations alleged in the Disciplinary Orders, but it does not address or resolve any other conduct or potential Securities Act violations engaged in by Respondents not expressly alleged in the Disciplinary Orders or occurring after the date this Consent Order is entered. Further, this Consent Order does not preclude any other individual or entity, including but not limited to other authorized state or federal agencies or officials, from initiating or pursuing civil or criminal action against Respondents, and does not preclude Bureau staff from referring this matter to any law enforcement agency. The Consent Order does not preclude the Bureau or its staff from fully cooperating with any state or federal agency or official that may investigate or pursue its own civil or criminal enforcement against Respondents.
12. This Consent Order contains the entire understanding of the Parties; it supersedes and terminates all prior and contemporaneous representations, promises, agreements, understandings, and negotiations, whether oral or written, with respect to its subject matter. This Consent Order may only be modified in writing signed by each Party and approved by the Administrator's subsequent Order.

Through their signatures, Respondents confirm that they read, understand, and agree to the above terms.

Signed:    
Dated: 7/8/21  
Beacon Learning Group, LLC  
By: Philip Anderson, Dan Ogden  
Its: Managing Member, MANAGING MEMBER

Reviewed by:

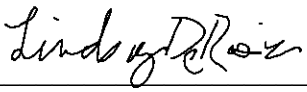
Signed:   
Peter B. Ruddell // Raymond W. Henney  
Attorney for Respondent

Dated: 7/9/2021

Approved on behalf of Bureau staff by:

Signed: \_\_\_\_\_  
Dated: \_\_\_\_\_  
Lindsay DeRosia  
Securities & Audit Division Acting Director  
Corporations, Securities & Commercial  
Licensing Bureau

Approved on behalf of Bureau staff by:

Signed: 

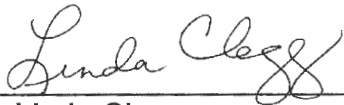
Dated: 7/12/21

Lindsay DeRosia  
Securities & Audit Division Acting Director  
Corporations, Securities & Commercial  
Licensing Bureau

C. ORDER

The Administrator NOW, THEREFORE, ORDERS:

THE TERMS AND CONDITIONS IN THE ABOVE FULLY EXECUTED CONSENT AGREEMENT ARE INCORPORATED IN THIS CONSENT ORDER.

By: 

Linda Clegg  
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. 343274

BEACON LEARNING GROUP, LLC  
Unregistered

Respondent.

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Issued and entered  
This 24<sup>th</sup> day of March, 2021

**NOTICE AND ORDER TO CEASE AND DESIST**

Linda Clegg, the Director (“Administrator”) of the Corporations, Securities & Commercial Licensing Bureau (“Bureau”), pursuant to her statutory authority and responsibility to administer and enforce the Michigan Uniform Securities Act (2002), 2008 PA 551, as amended, MCL 451.2101 *et seq* (“Securities Act”), hereby orders Beacon Learning Group, LLC (“Respondent”) to cease and desist from acting as an unregistered investment adviser, contrary to the Securities Act. Respondent is notified of the opportunity to request a hearing in this matter.

**I. BACKGROUND**

**A. The Respondent**

1. Beacon Learning Group, LLC is a Utah-organized limited liability company which is not registered in any capacity under the Securities Act in Michigan.

**B. Findings of Fact**

1. Bureau staff began an investigation of Respondent’s activities under the Securities Act in Michigan after it received information that Respondent may be acting as an unregistered investment adviser.
2. Bureau staff’s investigation developed evidence that Respondent maintains a public-facing website advertising that it offers investors one-on-one investment coaching services for compensation, teaching the investors how to trade in securities markets.

3. Respondent is not registered as an investment adviser. Respondent claimed to be excluded from the definition of “investment adviser” because it did not “coach” investors on specific securities; however, state and federal securities regulators have routinely rejected the notion that one is only an “investment adviser” subject to regulation if it advises about specific securities.<sup>1</sup>

## **II. RELEVANT STATUTORY PROVISIONS**

1. Section 102(e) of the Securities Act, MCL 451.2102(e) defines “investment adviser”, in part, as:

"Investment adviser" means a person that, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or the advisability of investing in, purchasing, or selling securities or that, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities. The term includes a financial planner or other person that, as an integral component of other financially related services, provides investment advice to others for compensation as part of a business or that holds itself out as providing investment advice to others for compensation...

2. Section 403(1) of the Securities Act, MCL 451.2403(1), states:

(1) A person shall not transact business in this state as an investment adviser unless the person is registered under this act as an investment adviser or is exempt from registration as an investment adviser under subsection (2).

3. Section 503(1) of the Securities Act, MCL 451.2503(1), states:

In a civil action or administrative proceeding under this act, a person claiming an exemption, exception, preemption, or exclusion has the burden to prove the applicability of the exemption, exception, preemption, or exclusions.

## **III. CONCLUSIONS OF LAW**

1. Respondent Beacon Learning Group, LLC is an “investment adviser” as the term is defined by MCL 451.2102a(e). Respondent, for compensation, engages in the business of advising others about the advisability of investing in securities.

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<sup>1</sup> See, e.g., United States Securities and Exchange Commission Guide to Investment Adviser Regulation at page 3 (2013) (“[A]dvice about market trends is advice about securities;”), available at: [https://www.sec.gov/about/offices/oia/oia\\_investman/rplaze-042012.pdf](https://www.sec.gov/about/offices/oia/oia_investman/rplaze-042012.pdf)

Respondent claimed to be excluded from the definition of “investment adviser” because it does not give advice about specific securities, but rather, only market trends. This is a distinction without a difference, as securities regulators have long considered advice about market trends to be “investment advice” requiring registration as an investment adviser. Respondent carries the burden of proving the applicability of the definitional exclusion under MCL 451.2503, and has failed to do so here.

2. Respondent Beacon Learning Group, LLC acted as an investment adviser in the State of Michigan without the benefit of registration or a properly-claimed exclusion from the definition or exemption from registration, contrary to section 403(1) of the Securities Act, MCL 451.2403(1).

#### **IV. ORDER**

IT IS THEREFORE ORDERED, pursuant to section 604 of the Securities Act, MCL 451.2604, that:

- A. Respondent shall immediately CEASE AND DESIST from acting as an unregistered investment adviser, contrary to the Securities Act.
- B. Pursuant to section 604(2) of the Securities Act, this Notice and Order to Cease and Desist is IMMEDIATELY EFFECTIVE.
- C. In a Final Order, the Administrator, under section 604(4) of the Securities Act, MCL 451.2604(4), intends to impose a civil fine of \$10,000.00 against Respondent. This Notice and Order to Cease and Desist may become final pursuant to Section VI, below.
- D. Pursuant to section 508 of the Securities Act, MCL 451.2508, a person that willfully violates the Securities Act, or an order issued under the Securities 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 this act may be fined, but shall not be imprisoned, if the individual did not have knowledge of the rule or order.

#### **V. NOTICE OF OPPORTUNITY FOR HEARING**

Section 604 of the Securities Act, MCL 451.2604, provides that Respondent has 30 days beginning with the first day after the date of service of this Notice and Order to Cease and Desist to submit a written request to the Administrator asking that this matter be scheduled for a hearing. If the Administrator receives a written request in a timely manner, the Administrator shall schedule a hearing within 15 days after receipt of the request. The written request for a hearing must be addressed to:

**Notice & Order to Cease & Desist  
Beacon Learning Group, LLC (CN 343274)**

Corporations, Securities & Commercial Licensing Bureau  
Regulatory Compliance Division  
P.O. Box 30018  
Lansing, MI 48909

By Email: [CSCL-FOIA@Michigan.gov](mailto:CSCL-FOIA@Michigan.gov)

**VI. ORDER FINAL ABSENT HEARING REQUEST**

- A. Under section 604 of the Securities Act, MCL 451.2604, the Respondent's failure to submit a written request for a hearing to the Administrator within 30 days after the service date of this **NOTICE AND ORDER TO CEASE AND DESIST** shall result in this order becoming a **FINAL ORDER** by operation of law. The **FINAL ORDER** includes the imposition of the fines cited described in section IV.C., and the fine amounts set forth below will become due and payable to the Administrator within sixty (60) days after the date this order becomes final:

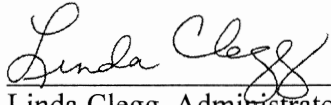
\$10,000.00 – Beacon Learning Group, LLC, under section  
604 of the Securities Act, MCL 451.2604.

- B. CIVIL FINE payments should be payable to the STATE OF MICHIGAN and contain identifying information (e.g., names and complaint numbers) and mailed to the following address:

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

- C. Failure to comply with the terms of this Order within the time frames specified may result in additional administrative penalties, including the summary suspension or continued suspension of all registrations held by Respondent under the Securities Act, the denial of any registration renewal, and/or the denial of any future applications for registration, until full compliance is made. Respondent may voluntarily surrender or withdraw a registration under the Securities Act; however, the surrender or withdrawal will not negate the summary suspension or continued suspension of the relevant registrations or any additional administrative proceedings if a violation of this Order or the Securities Act occurred.
- D. Failure to pay the civil fines within six (6) months after this Order becomes final may result in the referral of the civil fines to the Michigan Department of Treasury for collection action against Respondents.

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



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

3/24/2021

Date