

**State of Michigan**  
**Department of Licensing and Regulatory Affairs**  
**Corporations, Securities & Commercial Licensing Bureau**

In the matters of:

John Boettcher  
CRD #5579773

Complaint No. 329242

and

Denali Wealth Management, LLC,  
IARD #151157  
Unregistered

Complaint No. 329246

Respondents.

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Issued and entered  
this 5th day of December, 2016

**Consent Order Resolving Notices and Orders to Cease & Desist**

**I. Recitals**

Denali Wealth Management, LLC (IARD #151157) [hereinafter “Denali”] is a Michigan limited liability company that was organized in or around July of 2009 by Mr. John Boettcher, the firm’s managing member and an investment adviser representative employed by or associated with the firm. Denali was registered as an investment adviser firm in Michigan until on or around January 13, 2016, when its registration lapsed.

John Boettcher is an individual who is or was employed by or associated with Denali. Boettcher was registered as an investment adviser representative through Denali from on or around November 19, 2009 until on or around January 13, 2016 when Denali failed to renew its investment adviser registration, thereby

terminating the associated registration of Boettcher, its investment adviser representative.

Investigation revealed that Boettcher held himself out to the public as representing Denali, an unregistered investment adviser, in advising investors on the advisability of purchasing, selling, or holding securities after January 13, 2016. On or about June 24, 2016, the Director of the Corporations, Securities & Commercial Licensing Bureau (“Bureau”) of the Michigan Department of Licensing and Regulatory Affairs, as the Administrator of the Michigan Uniform Securities Act (2002), 2008 PA 551, MCL 451.2101, *et seq.* (“Act”), issued Notices and Orders to Cease and Desist (the “Orders”) against Boettcher and Denali (“Respondents”), ordering Respondents to refrain from acting as an unregistered investment adviser and unregistered investment adviser representative, respectively.

Among other things, the Orders notified Respondents that the Administrator intended to impose a civil fine of \$10,000 against each respectively. The Orders were immediately effective, and notified Respondents of their opportunity for a hearing.

Upon receipt of the Order, Respondents requested a stay of the administrative proceedings and an opportunity to meet and confer. Boettcher, on behalf of himself and Denali, subsequently met with Bureau staff on September 8, 2016. Boettcher averred that the lapse in registration was unintentional, having attempted to send in payment for renewal. Boettcher also averred that the business

was no longer in operation, and that after the Orders were issued he had advised clients to that effect.

Respondents have subsequently cooperated with the Bureau in confirming the facts as alleged in the September 8, 2016 meet and confer, having responded to inquiries, provided documentary evidence of the letter sent to clients advising them that the firm was no longer in operation and of Respondents' attempts to remove [www.krawebdesign.com/portfolio/dwi/bio.html](http://www.krawebdesign.com/portfolio/dwi/bio.html) from the web, and apparently complied with the terms of the Order.

Consequently, the Bureau and Respondents have agreed to resolve the matter upon the terms outlined below.

## **II. Agreement**

1. Respondents understand and intend that by signing this Consent Order, they are waiving the right, pursuant to the Act, the rules promulgated under the Act, and the Uniform Securities Act (Predecessor Act), 1964 PA 264, MCL 451.501 et seq., and the Administrative Procedures Act, 1969 PA 306, MCL 24.201 et seq., to a hearing before an administrative law judge, at which the Bureau would be required to defend any disciplinary action taken by presentation of evidence and legal authority at which Respondents would be entitled to appear with or without an attorney to cross-examine all witnesses presented by the Bureau and to present such testimony or other evidence or legal authority deemed appropriate.

2. Respondents shall pay to the Bureau an aggregate joint and several civil fine in the amount of Five Hundred Dollars (\$500.00) within 60 days after the

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Consent Order  
Denali Wealth Management, LLC and John Boettcher  
Complaint Nos. 329242 & 329246  
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COMMERCIAL LICENSING  
DIVISION

mailing date of this Administrative Consent Order. The civil fine payment shall be made via cashier's check or money order payable to the "State of Michigan" and must clearly indicate on the check or money order the notation "Boettcher/Denali Wealth Management, Complaint Nos. 329242 & 329246" and be mailed to:

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

3. If any portion of the civil fine is overdue for at least six months, the Administrator may refer it to the Michigan Department of Treasury for collection action against Respondents.

4. Respondents shall not act as or offer themselves to the public as an investment adviser or investment adviser representative, respectively, until such time as Respondents are properly registered or exempt from same.

Through their signatures, Denali and Boettcher agree to the above terms and conditions.

Dated: 11-17-16

Signed:

*Denali Wealth Management*  
Denali Wealth Management, LLC

Dated: 11-17-16

Signed:

*John Boettcher*  
John Boettcher

Approved by:

Dated: \_\_\_\_\_

Signed: \_\_\_\_\_

Timothy L. Teague  
Director  
Bureau Securities & Audit Division

LARA

NOV 28 2016

Sec & Audit Division  
Investigation Section

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Through their signatures, Denali and Boettcher agree to the above terms and conditions.

Dated: \_\_\_\_\_

Signed: \_\_\_\_\_  
Denali Wealth Management, LLC

Dated: \_\_\_\_\_

Signed: \_\_\_\_\_  
John Boettcher

Approved by:

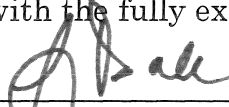
Dated: 11-29-16

Signed: Timothy L. Teague  
Timothy L. Teague  
Director  
Bureau Securities & Audit Division

### III. Order

The Administrator NOW, THEREFORE, ORDERS:

The terms and conditions in this Consent Order are binding and effective, in accord with the fully executed Agreement set forth above.

  
\_\_\_\_\_  
**Julia Dale, Bureau Director**  
(Administrator)

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

In the Matter of:

Complaint No. 329242

JOHN BOETTCHER  
CRD# 5579773

Respondent.

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Issued and entered  
This 24 day of June, 2016

NOTICE AND ORDER TO CEASE AND DESIST

Julia Dale, the Director of the Corporations, Securities & Commercial Licensing Bureau (the "Administrator"), 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 John Boettcher ("Respondent") to cease and desist from acting as an unregistered investment adviser representative, contrary to the Securities Act. Respondent is also notified of the opportunity to request a hearing in this matter.

**I. BACKGROUND**

**A. The Respondent**

1. John Boettcher is an individual who is employed by or associated with Denali Wealth Management, LLC (IARD#151157), a Michigan investment adviser firm which was registered pursuant to the Securities Act until on or around January 13, 2016.
2. John Boettcher was registered as an investment adviser representative through Denali Wealth Management, LLC from on or around November 19, 2009 until on or around January 13, 2016 when the firm failed to renew its investment adviser registration, thereby terminating the associated registration of its investment adviser representative, John Boettcher.

**B. Findings of Fact**

1. The Bureau conducted an investigation of Respondent's activities.
2. The investigation developed evidence that Respondent held himself out to the public as representing Denali Wealth Management, LLC, an unregistered investment adviser, in advising investors on the advisability of purchasing, selling, or holding securities from January 13, 2016 until the present.
3. Respondent and Denali Wealth Management, LLC lost their registration statuses pursuant to the Securities Act on or around January 13, 2016 for failing to renew their registrations.
4. Respondent has not identified any exemptions, exceptions, preemptions, or exclusions from the Securities Act which would be applicable to the investment adviser representative services in which he engaged.

**II. RELEVANT STATUTORY PROVISIONS**

1. Section 102c(c) of the Securities Act defines "Security", in part, as:

[A] note; stock; treasury stock; security future; bond; debenture; evidence of indebtedness; certificate of interest or participation in a profit-sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting trust certificate; certificate of deposit for a security; fractional undivided interest in oil, gas, or other mineral rights; put, call, straddle, option, or privilege on a security, certificate of deposit, or group or index of securities, including an interest in or based on the value of that put, call, straddle, option, or privilege on that security, certificate of deposit, or group or index of securities, put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency, an investment in a viatical or life settlement agreement; or, in general, an interest or instrument commonly known as a "security"; or a certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing...

2. Section 102a(e) of the Securities Act defines "Investment adviser", in part, as:

[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...

3. Section 102a(f) of the Securities Act defines "Investment adviser representative", in part, as:

[A]n individual employed by or associated with an investment adviser or federal covered investment adviser and who makes any recommendations or otherwise gives investment advice regarding securities, manages accounts or portfolios of clients, determines which recommendation or advice regarding securities should be given; provides investment advice or holds himself or herself out as providing investment advice, receives compensation to solicit, offer, or negotiate for the sale of or for selling investment advice, or supervises employees who perform any of the foregoing.

4. Section 404(1) of the Securities Act, MCL 451.2403(1), states:

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

5. 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 falls within the Securities Act's definition of "investment adviser representative" because he was employed by or associated with Denali Wealth Management, LLC, an entity that falls within the definition of "investment adviser", and because Respondent held himself out as making investment recommendations on behalf of the entity.
2. Respondent has engaged in investment adviser representative activities without the benefit of registration or a properly-claimed exemption from registration since Denali Wealth Management, LLC's registration lapsed on or around January 13, 2016, in violation of section 404(1) of the Securities Act, MCL 451.2404(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 representative, 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 her 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 John Boettcher.
- 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:

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

#### 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 – John Boettcher, under section 604 of the Securities Act, MCL 451.2604.

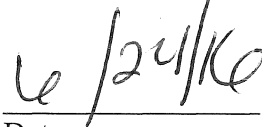
- B. CIVIL FINE payments should be payable to the STATE OF MICHIGAN and contain identifying information (e.g., names and complaint numbers) and mailed to the following address:

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 Respondents 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. Respondents 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.

CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

  
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Julia Dale  
Director, Corporations, Securities &  
Commercial Licensing Bureau

  
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Date