

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

In the matter of:

Complaint No. 337130

BRIAN O. SHIPPELL  
CRD# 3061313

Respondent.

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Issued and entered  
this 16th day of April, 2019

**CONSENT AGREEMENT AND ORDER**

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 February 21, 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 Brian O. Shippell ("Respondent") pursuant to MCL 451.2412(2) and MCL 451.2412(7).
2. Respondent (CRD# 3061313) is an individual who resides in the State of Michigan and is presently registered in Michigan as a securities agent through PFS Investments, Inc. ("PFS Investments," CRD# 10111), a Michigan-registered broker-dealer.
3. On March 29, 2019, Respondent attempted to voluntarily withdraw his registration as a securities agent in Michigan by submitting a Form U-5 to the Central Registration Depository. The Form U-5 was submitted after revocation proceedings under section 412(2) of the Act, MCL 451.2412(2), became pending and the withdrawal was, therefore, not effective pursuant to section 409 of the Act, MCL 451.2409.

## B. STIPULATION

Respondent and the Administrator (collectively, "the Parties") agree to resolve Respondent's registration status in Michigan under the following conditions:

1. The Parties agree that, effective upon entry of the attached Order, Respondent's registration under the Act will be withdrawn, and the NOI is resolved without further action by the Parties.
2. Following entry of the attached Order, the Bureau will file a Form U6 reflecting the Parties' resolution of the NOI under this Consent Order. This Consent 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.
3. Respondent agrees to comply with the Securities Act in connection with all future conduct and activities, including but not limited to, ensuring that he is registered or exempt before effecting any further securities transactions in Michigan and ensuring that any securities he offers or sells in Michigan are registered or exempt.
4. The Parties agree that the Administrator is permitted to use any of the facts set out in the NOI if and 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 such facts in making her determination.
5. Respondent agrees to comply with any reasonable investigative demands made by the Bureau in the future for purposes of ensuring compliance with this Consent Order or the Securities Act.
6. The Parties acknowledge and agree that the Administrator retains the right to pursue any action or proceeding permitted by law to enforce the provisions of this Consent Order, and that failure to comply with this Consent Order may result in the reinstatement of the NOI, pending any action the Administrator chooses to take as a result of Respondent's failure to comply.
7. Respondent acknowledges and agrees that: (a) the Administrator has jurisdiction and authority to enter this Administrative Consent Order; (b)

the Administrator may enter this Administrative Consent Order without any further notice to Respondent; and (c) upon entry of this Administrative Consent Order, it is final and binding, and Respondent waives any right to a hearing or appeal of this Administrative Consent Order and the NOI under the Securities Act, the rules promulgated under the Securities Act or the predecessor Act, the Administrative Procedures Act of 1969, 1969, MCL 24.2401 et seq., or other applicable law.

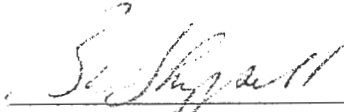
8. The Parties acknowledge and agree that this Consent Agreement and Order contains the entire understanding of the Parties and supersedes and forever terminates all prior and contemporaneous representations, promises, agreements, understandings, and negotiations, whether oral or written, with respect to its subject matter. The Parties further agree that this Consent Agreement 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.
9. The Parties understand and agree that this Consent Agreement 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 Consent Order. If the Administrator accepts this Consent Order by entering it, this Consent Order becomes fully effective and binding. If the Administrator rejects this Consent 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.
10. The Parties acknowledge and represent that: (a) each party has read this Consent Agreement 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 Consent Agreement and Order; (c) each party has consulted with or had ample opportunity to consult with legal counsel of his or her choosing prior to executing this Consent Agreement; (d) each party has freely and voluntarily signed this Consent Agreement; and (e) the consideration received by each party as described in this Consent Agreement and Order is adequate.
11. The Parties agree that they may execute this Consent Agreement 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.

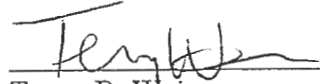
12. The Parties agree that facsimile or electronically-transmitted signatures may be submitted in connection with this Consent Order and are binding on that party to the same extent as an original signature.

13. The signatories to this Consent Agreement below represent and warrant that they have the legal capacity and authority to enter into this Consent Agreement on behalf of the named Parties and to bind the named Parties to the terms and conditions contained herein.

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

Signed:   
Brian O. Shippell, Respondent

Dated: 4/3-2019

Signed:   
Terry R. Weiss  
Attorney for Respondent

Dated: 4/4/2019

Approved by:

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

may be attached to this Stipulation and shall be binding on such party as an original signature.

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

13. The signatories to this Consent Agreement below represent and warrant that they have the legal capacity and authority to enter into this Consent Agreement on behalf of the named Parties and to bind the named Parties to the terms and conditions contained herein.

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

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_  
Brian O. Shippell, Respondent

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_  
Terry R. Weiss  
Attorney for Respondent

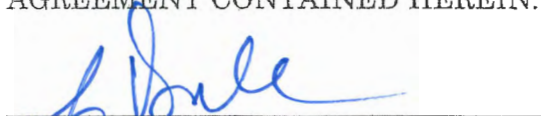
Approved by:

Signed: Lindsay DeRosia Dated: 4/8/19  
Lindsay DeRosia  
Acting Securities & Audit Division Director  
Corporations, Securities, & Commercial Licensing Bureau

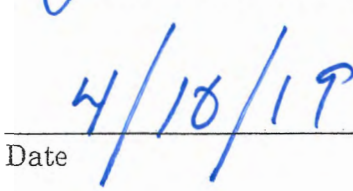
C. ORDER

NOW, THEREFORE, the Administrator ORDERS:

THE TERMS AND CONDITIONS OF THIS CONSENT ORDER ARE BINDING AND EFFECTIVE, IN ACCORD WITH THE FULLY EXECUTED CONSENT AGREEMENT CONTAINED HEREIN.



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



Date

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

In the matter of:

Agency No. 337130

BRIAN O. SHIPPELL  
CRD# 3061313

Respondent.

\_\_\_\_\_ /

Issued and entered  
This 21 day of February, 2019

**NOTICE OF INTENT TO REVOKE, SUSPEND, CONDITION, OR LIMIT  
SECURITIES AGENT 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. Brian O. Shippell (CRD#3061313, "Respondent") is an individual who resides in the State of Michigan. Respondent is presently registered in Michigan as a securities agent through PFS Investments, Inc. (CRD#10111), a Michigan-registered broker-dealer.
2. The Corporations, Securities & Commercial Licensing Bureau ("the Bureau") within the Department of Licensing and Regulatory Affairs conducted an audit of various PFS Investments, Inc. branch offices in Michigan, including the branch office where Respondent is employed.
3. The Bureau requested, and Respondent provided a personal balance sheet in the course of the audit. The balance sheet submitted by Respondent showed that his liabilities exceed his assets. The Administrator finds that Respondent is insolvent because his liabilities exceed his assets.
4. The Director of the Bureau ("Administrator") has reviewed materials regarding Respondent's financial condition as it relates to his registration as an 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 registration.
5. 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...

6. 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:

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(g) The person is insolvent, either because the person's liabilities exceed the person's assets or because the person cannot meet the person's obligations as they mature. The administrator shall not enter an order against an applicant or registrant under this subdivision without a finding of insolvency as to the applicant or registrant...

7. 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.

8. The Administrator may revoke, suspend, condition, or limit Respondent's securities agent 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 is insolvent because his liabilities exceed his assets, giving the Administrator cause to issue an order under sections 412(2) and 412(4)(g) of the Securities Act, MCL 451.2412(2) and MCL 451.2412(4)(g).

## 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 REGISTRATION OF BRIAN O. SHIPPELL under section 412(2) of



the Securities Act, MCL 451.2412(2), because his liabilities exceed his assets, causing him to be insolvent, which supports the revocation, suspension, conditioning, or limitation of his securities agent 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 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 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  
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

By:

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

2/21/19  
Date