

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

In the matters of:

CHRISTOPHER MERENDINO
Unregistered, CRD#6778290

ENF-22-020067

and

ARDENT CAPITAL ADVISORS, LLC
Unregistered, IARD#288099

ENF-22-020068

Respondents.

Issued and entered
this 1st day of November, 2022

STIPULATION AND CONSENT ORDER
RESOLVING NOTICES AND ORDERS TO CEASE AND DESIST

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

1. On June 1, 2022, the State of Michigan, Department of Licensing and Regulatory Affairs, Corporations, Securities, and Commercial Licensing Bureau (“Bureau”) and the Director of the Bureau, who serves as the Administrator of the Act (the “Administrator”), issued notices and orders to cease and desist (“Disciplinary Orders”) to Christopher Merendino (ENF-22-020067) and Ardent Capital Advisors, LLC (ENF-22-020068) (collectively “Respondents”).

2. Respondent Christopher Merendino is an individual who was registered as an investment adviser representative under the Act until on or around January 1, 2022, when his registration lapsed, and Respondent Ardent Capital Advisors, LLC is

a Michigan-organized limited liability company that was registered as an investment adviser under the Act until on or around January 1, 2022, when its registration lapsed.

3. Despite allowing their registrations to lapse on January 1, 2022, Respondents continued to collect fees from advisory clients.

4. Based on these findings, the Disciplinary Orders ordered Respondents to cease and desist from violating MCL 451.2403(1) and MCL 451.2404(1) under the Act and proposed a civil fine against Respondents in the amount of \$10,000.00 each for a total of \$20,000.00 under MCL 451.2604(4).

5. The Disciplinary Orders were immediately effective under MCL 451.2604(2); however, Respondents timely requested an administrative hearing on the Disciplinary Orders under MCL 451.2604(2) and (3) (the “Hearing Request”).

6. Following issuance of the Disciplinary Orders, the Bureau and Respondent (collectively, “the Parties”) engaged in settlement negotiations through this Stipulation and Consent Order Resolving Notices and Orders to Cease and Desist (“Consent Order”).

7. Respondents consulted with or had an opportunity to consult with legal counsel of their choosing before executing the following Stipulation.

B. STIPULATION

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

1. Respondents agree that they will not engage in any activities regulated under the Act, including but not limited to acting as an investment adviser or investment adviser representative, unless they are registered or exempt from registration.

2. Ardent Capital Advisors, LLC agrees to submit a paper or electronic copy of Form ADV-W to the Bureau within thirty (30) days of the issued and entered date of this Consent Order. The Form ADV-W may be submitted to the physical address or email address in paragraph B.3.

3. Respondents agree to send a notification letter to clients from whom fees were collected while Respondents were unregistered notifying the clients of the Disciplinary Orders, this Consent Order, and that clients may have rights under the Act. The notification letter must be in the form attached as Exhibit A to this Consent Order and must be mailed within fifteen (15) days of the issued and entered date of this Consent Order. Respondents must provide the Bureau with proof of mailing, including the name, address, and date that the notification was provided for each client. The proof of mailing required by this paragraph must be provided to the Bureau within thirty (30) days of the issued and entered date of this Consent Order at:

Corporations, Securities, and Commercial Licensing Bureau
Attn: Final Order Monitoring
PO Box 30018
Lansing, MI 48909

Or via email to: LARA-CSCL-Order-Monitoring@michigan.gov

4. Respondents agree to pay and are jointly and severally liable for a civil fine in the amount of Five Hundred Dollars (\$500) within 60 calendar days after the issued and entered date of this Consent Order. It may be paid by check, money order, or debit or credit card. If Respondents are paying the civil fine by check or money order, Respondents must make the check payable to the “State of Michigan,” write “ENF-22-020067 & ENF-22-020068” on the check or money order, enclose the “Payment Processing Stub” attached to the Payment Instructions form received with the Stipulation and Consent Order, and mail it to:

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

Please consider mail processing delays when determining how and when to make payment. Information about how to open an online account to submit payments by debit or credit card or how to use an existing online account to make a payment to the Bureau may be found by visiting www.mi.gov/MiCLEAR. All other communications and documentation may be directed to the Bureau at that address or by email to LARA-CSCL-Order-Monitoring@michigan.gov.

5. If any portion of the fine is overdue, the Administrator may refer it to the Michigan Department of Treasury for collection action against Respondents or take other available legal action to collect the fine. Respondents are responsible for all costs and expenses incurred in complying with the terms of this Consent Order

and must do so within the timeframe specified. The Administrator retains the right to pursue any action or proceeding permitted by law to enforce its provisions.

6. For the purposes of these proceedings and any other proceedings brought by or on behalf of the Bureau, Respondents acknowledge the Bureau's jurisdiction over them and the subject matter of these proceedings, admit to the factual and legal findings contained in the Disciplinary Orders, and consent to the entry of this Consent Order for the purpose of resolving the Disciplinary Orders.

7. Respondents' Hearing Request is revoked without further action by the Parties.

8. Following the issuance and entry of this Consent Order, the Bureau will file Forms U6 with the Central Registration Depository reflecting the Parties' resolution of the Disciplinary Orders.

9. 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.

10. The Administrator may use any of the facts set out in the Disciplinary Orders when considering future applications for registration by Respondents, and Respondents agree 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.

11. Respondents 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.

12. Respondents waive 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 Administrator Procedures Act of 1969, 1969 PA 306, MCL 24.201 *et seq.*, or other applicable law.

13. 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.

14. This Consent 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.

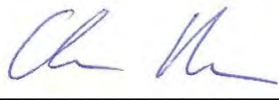
15. This Consent Order resolves only Respondents' activities, conduct, and statutory violations alleged in the Disciplinary Orders, but it does not address or resolve any other conduct or potential statutory violations engaged in by Respondents not expressly alleged in the Disciplinary Orders or occurring 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 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.

16. This Consent Order may only be modified in writing signed by each Party and approved by a subsequent Order of the Administrator.

17. 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.

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

Signed:  Dated: 10/27/2022
Ardent Capital Advisors, LLC
By: Christopher Merendino, its Managing Member

Signed:  Dated: 10/27/2022
Christopher Merendino

Approved by:

Signed:  Dated: 10/31/22
Lindsay DeRosia
Securities & Audit Division Director
Corporations, Securities & Commercial Licensing Bureau

Reviewed and Drafted by:

Signed:  Dated: 10/28/2022

Aaron Levin (P81310)
Assistant Attorney General
Attorney for the Bureau

C. ORDER

The Administrator NOW, THEREFORE, ORDERS:

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

By: /s/ Linda Clegg

Linda Clegg

Administrator and Director

Corporations, Securities & Commercial Licensing Bureau

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

In the matter of:

Agency No. ENF-22-020067

CHRISTOPHER MERENDINO
Unregistered, CRD#6778290

Respondent.

_____ /

This 1st day of June Issued and entered _____, 2022

NOTICE AND ORDER TO CEASE AND DESIST

Linda Clegg, the Director (“Administrator”) of the Corporations, Securities, and 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 Christopher Merendino (“Respondent”) to cease and desist from acting as an unregistered investment adviser representative associated with Ardent Capital Advisors, LLC (“Ardent”) 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. Christopher Merendino is an owner and investment adviser representative employed by or associated with Ardent, a Michigan limited liability company which is not registered in any capacity under the Securities Act in Michigan. Respondent was registered as an investment adviser representative of Ardent until December 31, 2021 at which time Ardent failed to renew its registration, thereby terminating Respondent’s associated investment adviser representative registration.

B. Findings of Fact

1. Bureau staff began an investigation of Respondent’s activities under the Securities Act in Michigan after Respondent and Ardent failed to renew their respective

registrations at the end of 2021, and failed to complete applications to re-register thereafter.

2. Bureau staff's investigation developed evidence that Ardent, under Respondent's management, has continued to collect fees from clients for the provision of investment advice.
3. Respondent is not registered as an investment adviser representative and has failed to claim an exemption, exception, preemption, or exclusion justifying the failure to register.

II. RELEVANT STATUTORY PROVISIONS

1. Section 102(f) of the Securities Act, MCL 451.2102(f) defines "investment adviser representative", in part, as:

"Investment adviser representative" an 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... (Emphasis added).

2. Section 404(1) of the Securities Act, MCL 451.2404(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).

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 Christopher Merendino meets the definition of investment adviser representative under the Securities Act, is not registered as an investment adviser

representative, and has failed to claim a relevant exemption from registration, in violation of 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 a Final Order, the Administrator intends to impose civil fines of \$10,000.00 against Respondent under MCL 451.2604(4). 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:

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

By email: 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 – Christopher Merendino, 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

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

6/1/2022
Date

Notice & Order to Cease & Desist
Christopher Merendino (ENF-22-020067)