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COMMISSIONERS OFFICE

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE ACTION NO. 2020-AH-00016

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

FINAL ORDER OF DEFAULT

CINDY MADDOX

RESPONDENT

The Department of Financial Institutions (“the Department”), pursuant to Kentucky Revised Statute (“KRS”) 292.470, KRS 292.500, and 808 Kentucky Administrative Regulation (“KAR”) 10:225, hereby enters this **Final Order of Default** against Cindy Maddox. In support thereof, the Department states the following:

PARTIES

1. The Department of Financial Institutions (“the Department”) is responsible for administering the provisions of KRS Chapter 292, the Securities Act of Kentucky (“the Act”), as well as any applicable rules, regulations and orders entered pursuant to the Act.

2. Respondent Cindy Maddox was employed as the vice president of Green Square Capital Advisors, LLC and her last known address is 46408 Shellmound Street, Apartment 6118, Emeryville, California 94608-1018.

3. On March 1, 2022, the Department filed an Administrative Complaint in the above-styled action, alleging numerous violations of the Act by Respondent.

SERVICE OF THE ADMINISTRATIVE COMPLAINT

4. On March 1, 2022, The Department sent a copy of the Administrative Complaint to Ms. Maddox via certified mail to her last known address and the address of what is believed to be her most recent employer.

5. On or about March 4, 2022, the Department received confirmation of the Administrative Complaint's successful delivery, which took place on that date. The return receipt was signed "Covid-19."

6. A Final Order of Default is appropriate because the Administrative Complaint was successfully served upon the last known address of Cindy Maddox by certified mail, no response has occurred more than 20 days since that service date, and the Department has made several previous attempts in good faith to deliver correspondence to Ms. Maddox about this matter before the filing of the Administrative Complaint, all of which have not returned an answer.

STATEMENTS OF FACT

7. Respondent was employed as the vice president of Green Square Capital Advisors, LLC ("GSC Louisville," CRD# 115231), an investment advisory firm, from September 1, 2015 to July 31, 2017.

8. GSC Louisville is a registered Memphis, Tennessee company, with a principal address of 6070 Poplar Avenue, Suite 212, Memphis, Tennessee, 38119. GSC Louisville's business office was located at 4360 Brownsboro Road, Louisville, Kentucky 40207.

9. GSC Louisville was registered as an SEC covered adviser from August 28, 2014 to May 11, 2017 but did not maintain this registration after that date.

10. On March 31, 2019, The Department's Division of Securities received an application for investment adviser registration in Kentucky for GSC Louisville. The Department determined that

Respondent was acting as an investment adviser representative in Kentucky without registration from May 11, 2017 to July 31, 2017, which followed GSC Louisville's termination of its SEC registration, and Respondent did not qualify for an exemption from registration.

STATUTORY AUTHORITY

11. KRS 292.310(12) states, in pertinent part,

“Investment adviser representative” means an individual employed by or associated with an investment adviser or covered adviser and who makes any recommendations or otherwise gives investment advice regarding securities, manages accounts or portfolios of clients, determines which recommendations 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.

12. KRS 292.330(11) states,

It is unlawful for an individual to transact business in this state as an investment adviser representative unless the individual is registered under this chapter as an investment adviser representative or is exempt from registration under subsection (12) of this section.

13. KRS 292.470(3) states,

Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this chapter or any rule or order under this chapter, the commissioner may in his or her discretion bring any or all of the following remedies:

- (3) Issue a final order, after notice and an opportunity for a hearing, containing findings of fact and conclusions of law, directing any person or persons found to have engaged in, or about to be engaged in, activity that constitutes a violation of this chapter or any rule or order under this chapter:
 - (a) To cease and desist from the activity;
 - (b) To perform any other reasonable mandates directed by the commissioner pursuant to an appropriate remedy fashioned by the commissioner and reasonably calculated to carry out the provisions of this chapter; or
 - (c) To pay fines assessed under KRS 292.500(14) and costs assessed under KRS 292.500(15).

14. KRS 292.500(14) states,

The commissioner may impose civil fines against any person who violates any provision of this chapter or any rule or order or voluntary agreement entered into under this chapter. The fine shall not exceed twenty thousand dollars (\$20,000) per violation, except when the violation is directed at or results in monetary damage to one (1) or more individuals who are sixty (60) years of age or older, the commissioner may impose an additional fine not to exceed twenty thousand dollars (\$20,000) per violation. Each act or transaction which violates this chapter or administrative regulation, or orders or agreements entered into under this chapter, shall constitute a separate violation. Any employer or principal shall be jointly and severally liable for fines imposed in connection with the conduct of employees or agents.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

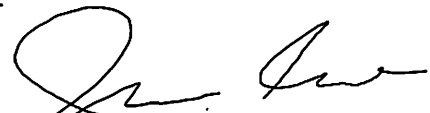
15. Respondent, while employed by GSC Louisville as vice president, acted as an investment adviser representative and was not registered to act as an investment adviser representative in Kentucky from May 11, 2017 to July 31, 2017, following GSC Louisville's termination of its SEC registration, and did not qualify for an exemption from registration in violation of KRS 292.330(11).

ORDER

The Commissioner hereby **ORDERS**:

1. Respondent pay a fine in the amount of one thousand dollars (\$1,000.00) for violation of the Act;
2. Respondent shall cease and desist from committing or causing any future violations of the Act; and
3. This Order shall be final and appealable.

SO ORDERED on this the 25th day of April 2022.



JUSTIN M. BURSE, DEPUTY
COMMISSIONER ON OF BEHALF OF
CHARLES A. VICE, COMMISSIONER

NOTICE TO RESPONDENT

1. The Commissioner of the Kentucky Department of Financial Institutions has entered a Final Order.

2. You are hereby notified that, pursuant to KRS 292.490,

Any person aggrieved by a final order of the commissioner may obtain a review of the order by filing in accordance with KRS Chapter 13B in the Franklin Circuit Court, within thirty (30) days after the entry of the order, a written petition praying that the order be modified or set aside in whole or in part. A copy of the petition shall be forthwith served upon the commissioner, and thereupon the commissioner shall certify and file in court a copy of the filing, testimony, and other evidence upon which the order was entered. When these have been filed, the court has exclusive jurisdiction to affirm, modify, enforce, or set aside the order, in whole or in part. No objection to the order may be considered by the court unless it was urged before the commissioner or there were reasonable grounds for failure to do so. The findings of the commissioner as to the facts, if supported by substantial evidence, are conclusive. If either party applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the additional evidence is material and that there were reasonable grounds for failure to adduce the evidence in the hearing before the commissioner, the court may order the additional evidence to be taken before the commissioner and to be adduced upon the hearing in such manner and upon such conditions as the court may consider proper. The commissioner may modify his or her findings as to the facts, by reason of the additional evidence so taken; and the commissioner shall file any modified or new findings, which if supported by substantial evidence shall be conclusive, and any recommendation for the modification or setting aside of the original order. The commencement of proceedings under this section does not, unless specifically ordered by the court, operate as a stay of the commissioner's order. An appeal may be taken from the judgment of the Franklin Circuit Court on any such appeal to the Court of Appeals on the same terms and conditions as an appeal is taken in civil actions.

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Final Order of Default was sent on this the 26th day of April, 2022 by the method indicated below to the following:

Via certified mail, return receipt requested:

Cindy Maddox
6408 Shellmound St. Apt. 6118
Emeryville, CA 94608-1018
Respondent

and at the following alternate address:

Cindy Maddox
555 California St
San Francisco, CA 94104
Respondent

Via electronic delivery:

Brandon Adcock
DEPARTMENT OF FINANCIAL INSTITUTIONS
500 Mero Street
Frankfort, KY 40601
brandon.adcock@ky.gov
Counsel for Department of Financial Institutions

Kentucky Department of Financial Institutions

Name: Allison Reed, by Mary Johnson

Title: Executive Staff Adviser