

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE ACTION NO. 2025-AH-0180



KENTUCKY DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

PARTHENON LLC
and
MATTHEW CARPER

RESPONDENTS

AGREED ORDER

PARTIES

1. The Kentucky Department of Financial Institutions (hereinafter, the "Department") is responsible for administering the provisions of Kentucky Revised Statutes (KRS) Chapter 292, the Securities Act of Kentucky, as well as any applicable rules, regulations, and orders enacted pursuant to the Code.

2. Parthenon LLC is a Kentucky limited liability company formed in Kentucky with a principal address at 435 N. Whittington Parkway, Suite 180, Louisville, KY 40222.

3. Matthew Carper is an employee of Parthenon LLC accepting service of this order via Parthenon LLC's principal office mailing address.

STATEMENT OF FACTS

4. On January 15, 2014, Parthenon LLC filed a Form ADV mentioning the employment of Matthew Carper at the investment advisory firm. Mr. Carper's corresponding U4 for this time period is missing from CRD records. After January 15, 2014, Matthew Carper received a salary and bonus for services as a senior vice president, CFA, and portfolio manager.

5. On March 13, 2024, approximately ten years later, Parthenon LLC and Mr. Carper filed a Form U4.

6. At the end of 2024, Parthenon LLC and Mr. Carper reported completion of continuing education hours. This reporting was pursuant to a recent statute mandating the completion of continuing education in the business of securities. Shortly thereafter, it appeared to the Respondents that a persistent error prevented Mr. Carper from logging those continuing education hours.

7. On May 9, 2025, FINRA IAR CE Support emailed Mr. Carper regarding his continuing education requirements as an investment adviser representative. The email stated that Mr. Carper had not been registered long enough to require IAR CE.

8. On May 21, 2025, Todd Lowe, on behalf of Parthenon LLC, contacted the Department to request assistance on how to proceed when the appropriate FINRA system would not log the continuing education hours that Mr. Carper completed. The Department discovered that Mr. Carper was not registered on September 12, 2014. Instead, Mr. Carper had only been registered as investment adviser representative since April 15, 2024, the date of the U4 amendment, and therefore Mr. Carper would not have continuing education credit required of him until his first full year of registration.

9. Mr. Carper had worked at Parthenon LLC as an investment adviser representative for the past ten years. Therefore, the appropriate time for Mr. Carper to have been registered was on September 12, 2014. The reason for this lack of appropriate registration appears to be related to an error in the relevant CRD filings.

10. Respondents assert that they acted in good faith to have Mr. Carper obtain continuing education credit under the assumption that Mr. Carper's registration was appropriately completed and processed over ten years ago. Furthermore, Mr. Carper lacks a history of prior disciplinary

action in his service as an investment adviser representative. The Respondents self-reported the discrepancy and notice of the discrepancy was due to a recent statutory change requiring yearly continuing education credit.

STATUTORY AUTHORITY

11. 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.

12. KRS 292.331(1) states,

A person shall apply for registration as a broker-dealer, agent, investment adviser, or investment adviser representative by filing an application containing the information required in a form designated by administrative regulation or order under this chapter, by filing a consent to service of process pursuant to KRS 292.430, by filing any other information requested by the commissioner necessary to complete the application, and by paying the fee prescribed by this chapter.

13. KRS 292.330(10) states,

It is unlawful for an investment adviser to employ or associate with an investment adviser representative unless the representative is registered under this chapter or exempt from registration.

14. 808 KAR 10:030, Section 4(2)(a)(1) states,

Section 4. Written Supervisory Procedures. (1) Broker-dealers.

...

(2) Investment advisers.

(a) Except as provided in paragraph (b) of this subsection, each investment adviser shall:

1. Establish, maintain, and enforce written procedures that are reasonably designed to detect and prevent violations of KRS Chapter 292, 808 KAR Chapter 10, and orders issued under that chapter...

15. KRS 292.470 states, in pertinent part,

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:

...

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).

16. 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...

VIOLATIONS

17. In contravention of KRS 292.330(11) and KRS 292.331(1), Matthew Carper operated as an investment adviser representative at Parthenon LLC for ten years without appropriate registration.

18. In contravention of KRS 292.330(10) and 808 KAR 10:030, Section 4(2)(a)(1), Parthenon LLC employed Matthew Carper as investment adviser representative for ten years without having or enforcing sufficient policy procedures to prevent Mr. Carper's serving without proper registration.

AGREEMENT AND ORDER

19. To resolve this matter without litigation or other adversarial proceedings, the Department, Parthenon LLC, and Matthew Carper agree to compromise and settle all claims arising from the above-referenced factual background in accordance with the terms set forth herein.

20. In the interest of economically and efficiently resolving the violations described herein, it is hereby **AGREED** and **ORDERED**:

- i. Parthenon LLC agrees to pay a civil penalty fine of **ten thousand dollars (\$10,000.00)**, which shall be due and payable within thirty (30) days of the entry of this Order;
- ii. Matthew Carper agrees to pay a civil penalty fine of **one thousand dollars (\$1,000.00)**, which shall be due and payable within thirty (30) days of the entry of this Order;
- iii. All payments under this Order shall be in the form of an ACH payment made via secure website, pursuant to instructions provided to Parthenon LLC and Matthew Carper, or by a certified check or money order made payable to "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Securities Division, 2025-AH-0180, 500 Mero Street, Frankfort, Kentucky 40601;
- iv. Parthenon LLC and Matthew Carper waive the right to demand a hearing at which they would be entitled to legal representation, to confront and cross-examine witnesses, and to present evidence on their behalf, or to otherwise appeal or set aside this Agreed Order;
- v. Parthenon LLC and Matthew Carper consent to and acknowledge the jurisdiction of the Department over this matter and that this Agreed Order is a matter of public record and may be disseminated as such;
- vi. In consideration of execution of this Agreed Order, Parthenon LLC and Matthew Carper for themselves, and for their successors and assigns, hereby release and forever discharge the Commonwealth of Kentucky, the Department, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Parthenon LLC and Matthew Carper ever had, now have, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration;

vii. By signing below, the parties acknowledge they have read the foregoing Agreed Order, fully understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties; and

viii. This Agreed Order shall constitute the Final Order in this matter.

SO ORDERED on this the 16th day of December, 2025.


MARNI ROCK GIBSON
COMMISSIONER

Consented to:

On behalf of the Department of Financial Institutions,

This 16th day of December, 2025.

Chad Harlan

Assistant Director, Division of Securities
Department of Financial Institutions

and

On behalf of Parthenon LLC,

This 8 day of December, 2025.

Todd Lowe

Todd Lowe
Parthenon LLC

ACKNOWLEDGEMENT

STATE OF Kentucky)
)
COUNTY OF Jefferson)

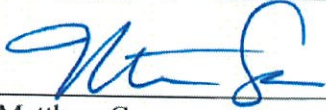
On this the 8 day of December, 2025, **Todd Lowe**, in my presence, acknowledged himself to be the authorized representative of **Parthenon LLC** and, being authorized to do so, did enter into and execute the foregoing instrument, on behalf of **Parthenon LLC**, for the purposes therein contained, acknowledging the same.

My Commission Expires: 2/12/2028

Parayiot Jones KYNP2450
Notary Public

On behalf of Matthew Carper,

This 8th day of December, 2025.



Matthew Carper

ACKNOWLEDGEMENT

STATE OF Kentucky)
COUNTY OF Jefferson)

On this the 8 day of December, 2025, **Matthew Carper**, in my presence, acknowledged himself as a Respondent named in this Agreed Order and, being authorized to do so, did enter into and execute the foregoing instrument, on behalf of **himself**, for the purposes therein contained, acknowledging the same.

My Commission Expires: 2/12/2028

Paragutova KYNP2450
Notary Public

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Agreed Order was sent on this the 17th day of December, 2025, by the method(s) described below to the following:

Via electronic delivery:

Todd Lowe
PARTHENON LLC
435 N. Whittington Parkway, Suite 180
Louisville, KY 40222
Registered Agent on behalf of Respondent Parthenon LLC

Matthew Carper
435 N. Whittington Parkway, Suite 180
Louisville, KY 40222
Respondent

Via electronic delivery:

Brandon Adcock, Staff Attorney III
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: Quinn Reed

Title: Executive Staff Advisor