
*
IN THE MATTER OF: *
*
LIFESTYLE FREEDOM ADVISORY *
GROUP, LLC *
CRD NO. 283512 *
*

STIPULATION AND AGREEMENT
MATTER NO. ST-21-202044-S

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with the administration of Chapter 672a of the General Statutes of Connecticut, the Connecticut Uniform Securities Act (“Act”) and Sections 36b-31-2 to 36b-31-33, inclusive, of the Regulations of Connecticut State Agencies (“Regulations”) promulgated under the Act;

WHEREAS, Lifestyle Freedom Advisory Group, LLC, (“LFAG”) is an investment adviser located at 9040 Town Center Parkway, Bradenton, Florida 34202. LFAG has been registered as an investment adviser the Act since June 30, 2016;

WHEREAS, in October 2020, the Commissioner, through the Securities and Business Investments Division (“Division”) of the Department of Banking, conducted an examination of LFAG (“Examination”);

WHEREAS, during the Examination, the Division ascertained that LFAG was transacting investment advisory business from an office in Milford, Connecticut, without such office being registered as a branch office, in contravention of Section 36b-6(d) the Act. Although the Milford location was disclosed on LFAG’s Form ADV under “Other Offices”, it was not registered as a branch office in Connecticut;

WHEREAS, LFAG has represented to the Division that it had engaged and worked with an outside compliance consultant to perform various compliance work and that the compliance consultant never informed LFAG that the Milford location needed to be registered as a branch office in Connecticut;

WHEREAS, Section 36b-6(d) of the Act provides, in pertinent part, that “[n]o . . . investment adviser shall transact business from any place of business located within this state unless that place of business is registered as a branch office with the commissioner pursuant to this subsection”;

WHEREAS, on November 23, 2020, LFAG closed the Milford office and moved the office to Mystic, Connecticut, and registered the Mystic location as a branch in Connecticut;

WHEREAS, during the Examination, the Division also ascertained that LFAG engaged an unregistered investment adviser agent from April 2020 to November 23, 2020, in contravention of Section 36b-6(c)(3) of the Act;

WHEREAS, Section 36b-6(c)(3) of the Act provides, in part, that “[n]o investment adviser shall engage an investment adviser agent unless such investment adviser agent is registered under . . . [the Act]”;

WHEREAS, on November 23, 2020, the individual became registered as an investment adviser agent of LFAG;

WHEREAS, LFAG has also represented to the Division that it implemented revised supervisory and compliance procedures designed to improve regulatory compliance, which procedures, at a minimum, provided for enhanced monitoring of state investment adviser licensing requirements;

WHEREAS, the Commissioner believes that a violation of Sections 36b-6(d) and 36b-6(c)(3) of the Act would support the initiation of administrative proceedings against LFAG pursuant to Sections 36b-15 and 36b-27 of the Act;

WHEREAS, an administrative proceeding initiated under Sections 36b-15 and 36b-27 of the Act would constitute a “contested case” within the meaning of Section 4-166(4) of the General Statutes of Connecticut;

WHEREAS, Section 4-177(c) of the General Statutes of Connecticut and Section 36a-1-55(a) of the Regulations provide that a contested case may be resolved by stipulation or agreed settlement, unless precluded by law;

WHEREAS, LFAG desires to settle the matters described herein and voluntarily enters into this Stipulation and Agreement;

WHEREAS, the Commissioner and LFAG acknowledge that this Stipulation and Agreement is in lieu of any court action or administrative proceeding against LFAG, its members, officers, employees, agents, or representatives adjudicating any issue of fact or law on the matters described herein and is being made to settle only the matters described herein;

WHEREAS, without admitting or denying the allegations contained herein, LFAG expressly consents to the Commissioner's jurisdiction under the Act and to the terms of this Stipulation and Agreement;

WHEREAS, LFAG, through its execution of this Stipulation and Agreement, voluntarily waives any rights LFAG may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Stipulation and Agreement;

WHEREAS, LFAG acknowledges that it has had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Stipulation and Agreement and enters into this Stipulation and Agreement freely;

AND WHEREAS, LFAG, through its execution of this Stipulation and Agreement, specifically assures the Commissioner that the violations alleged in this Stipulation and Agreement shall not occur in the future.

NOW THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. No later than the date this Stipulation and Agreement is executed by the Commissioner, LFAG shall remit to the Department by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut" the sum of seven thousand six hundred fifty dollars (\$7,650), seven thousand five hundred dollars (\$7,500) of which shall constitute an administrative fine and one hundred fifty dollars (\$150) of which shall represent reimbursement for past due registration fees;

2. LFAG, its members, officers, representatives, agents, employees, affiliates, assigns and successors in interest shall refrain from engaging, either directly or through any person, organization or other device, in conduct constituting or which would constitute a violation of the Act or any regulation, rule or order adopted or issued under the Act;
3. Execution of this Stipulation and Agreement by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against LFAG or its successors in interest based upon a violation of this Stipulation and Agreement or the basis for its entry if the Commissioner determines that compliance is not being observed with the terms hereof; and
4. This Stipulation and Agreement shall become binding when executed by LFAG and the Commissioner.

IN WITNESS WHEREOF, the undersigned have executed this Stipulation and Agreement on the dates indicated.

Dated at Hartford, Connecticut,
this 22 day of December 2021.

_____/s/_____
Jorge L. Perez
Banking Commissioner

I, Michael Begin, state on behalf of Lifestyle Freedom Advisory Group, LLC, that I have read the foregoing Stipulation and Agreement; that I know and fully understand its contents; that I am authorized to execute this Stipulation and Agreement on behalf of Lifestyle Freedom Advisory Group, LLC; and that Lifestyle Freedom Advisory Group, LLC agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein.

Lifestyle Freedom Advisory Group, LLC

By: _____/s/_____
Michael Begin
Chief Compliance Officer/Manager

Date: 12/21/21

State of: Connecticut

County of: New London

On this the 21st day of December 2021, before me, the undersigned officer, personally appeared Michael Begin, who acknowledged himself to be Chief Compliance Officer and a Manager of Lifestyle Freedom Advisory Group, LLC, and that he, as such Chief Compliance Officer and Manager, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of Lifestyle Freedom Advisory Group, LLC by himself as Chief Compliance Officer and Manager.

In witness whereof I hereunto set my hand.

_____/s/_____
Notary Public / Commissioner of the Superior Court
Date Commission Expires: 3/31/2025