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10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
11 OF THE STATE OF CALIFORNIA

12 In the Matter of:

CRD NO.: 116462

13 THE COMMISSIONER OF BUSINESS  
14 OVERSIGHT,

15 CONSENT ORDER

16 Complainant,

17 v.

18 GOODRICH & ASSOCIATES, LLC, an entity,

19 Respondent.

20  
21 This Consent Order is entered into between the Commissioner of Business Oversight  
22 (Commissioner) of the Department of Business Oversight and Goodrich & Associates, LLC  
23 (Goodrich), and is made with respect to the following facts:

24 **I.**

25 **RECITALS**

26 A. The Commissioner has jurisdiction over the licensing and regulation of persons  
27 engaged in the business of investment advising under the Corporate Securities Law of 1968 (Corp.  
28 Code, § 25000 et seq.).

1 B. Goodrich holds a valid and unrevoked investment adviser certificate issued by the  
2 Commissioner on April 30, 2012, pursuant to Corporations Code section 25230. Goodrich is an  
3 investment adviser business located at 12 Bellwether Way, Suite 215, Bellingham, Washington  
4 98225. Goodrich is a Washington limited liability company.

5 C. Corporations Code section 25241 requires every investment adviser licensed by the  
6 Commissioner to maintain books and records, file reports with the Commissioner, and submit to  
7 examination by the Commissioner, as the Commissioner deems necessary or appropriate in the  
8 public interest or for the protection of investors.

9 D. On or about March 14, 2018, the Commissioner notified Goodrich that Goodrich  
10 must designate an email address to receive an online examination form. In response to the  
11 Commissioner's notification, Goodrich designated an email address to receive the online  
12 examination form.

13 E. On or about October 2, 2018, the Commissioner sent the online examination to  
14 Goodrich to the email address designated by Goodrich. The Commissioner informed Goodrich that  
15 the online examination must be completed and submitted by November 16, 2018.

16 F. The Commissioner sent four notices, October 15, 2018, October 29, 2018, November  
17 5, 2018, and November 12, 2018, reminding Goodrich of the November 16, 2018 deadline to  
18 complete and submit the online examination.

19 G. Despite the Commissioner's efforts, Goodrich failed to timely complete and submit  
20 the online examination by the November 16, 2018 deadline.

21 H. On December 12, 2018, Goodrich submitted its online examination.

22 I. The Commissioner finds that entering into this Consent Order is necessary, in the  
23 public interest, for the protection of investors and consistent with the purposes, policies, and  
24 provisions of the Corporate Securities Law of 1968.

25 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set  
26 forth herein, the parties agree as follows:

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**II.**

**TERMS AND CONDITIONS**

1. Purpose. The parties intend to resolve this matter for the purpose of judicial economy and expediency and without the uncertainty and expense of a hearing or other litigation.

2. Waiver of Hearing Rights. Goodrich acknowledges its right under the Corporate Securities Law of 1968 to an administrative hearing on this Consent Order and hereby waives such right to a hearing and to any reconsideration, appeal, injunction or other review that may be afforded under the Corporations Code; Administrative Procedure Act, including Government Code section 11415.60, subdivision (b); Code of Civil Procedure; or any other provision of law. By waiving such rights, Goodrich effectively consents to the finality of this Consent Order.

3. Administrative Penalty. Goodrich shall pay an administrative penalty of \$2,500.00 no later than 30 days after the effective date of this Consent Order as defined in paragraph 17. The penalty must be made payable in the form of a cashier's check or Automated Clearing House deposit to the Department of Business Oversight and transmitted to the attention of Accounting – Litigation, at the Department of Business Oversight, 1515 K Street, Suite 200, Sacramento, California 95814. Notice of the payment must be concurrently sent to: Samuel J. Park, Counsel, Department of Business Oversight, 320 West 4th Street, Suite 750, Los Angeles, California 90013.

4. Failure to Pay Administrative Penalty. If Goodrich fails to comply with paragraph 3, the Commissioner may summarily suspend Goodrich from engaging in business under its investment adviser certificate until it provides evidence of compliance to the Commissioner's satisfaction. Further, if Goodrich fails to comply with paragraph 3, Goodrich shall pay to the Commissioner an administrative penalty of \$5,000.00. Goodrich hereby waives any notice or hearing rights afforded under the Administrative Procedure Act, including Government Code section 11415.60, subdivision (b); Code of Civil Procedure; or any other provision of law to contest the summary suspension and administrative penalty of \$5,000.00 contemplated by this paragraph.

5. Full and Final Resolution. Except as stated in paragraph 4, this Consent Order is intended to constitute a full and final resolution of the matter described in it. The Commissioner will not bring any further action or proceeding concerning the matter unless the Commissioner discovers

1 violations by Goodrich that do not form the basis for this Consent Order, including violations  
2 knowingly concealed from the Commissioner.

3 6. Commissioner's Duties. Nothing in this Consent Order limits the Commissioner's  
4 ability to assist any other government agency with any action brought by that agency against  
5 Goodrich, including an action based on any of the acts, omissions, or events described in this  
6 Consent Order.

7 7. Independent Legal Advice. Each of the parties represents, warrants, and agrees that it  
8 has had an opportunity to seek independent advice from its attorney(s) and/or representatives with  
9 respect to the advisability of executing this Consent Order.

10 8. Reliance. Each of the parties represents, warrants, and agrees that in executing this  
11 Consent Order it has relied solely on the statement set forth herein and has had the opportunity to  
12 seek the legal advice of its own counsel. Each of the parties further represents, warrants, and agrees  
13 that in executing this Consent Order it has placed no reliance on any statement, representation, or  
14 promise of any other party, or any other person or entity not expressly set forth herein, or upon the  
15 failure of any party or any other person or entity to make any statement, representation, or disclosure  
16 of anything whatsoever. The parties have included this clause: (1) to preclude any claim that any  
17 party was in any way fraudulently induced to execute this Consent Order; and (2) to preclude the  
18 introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this Consent  
19 Order.

20 9. Full Integration. This Consent Order is the final written expression and the complete  
21 and exclusive statement of all the agreements, conditions, promises, representations, and covenants  
22 between the parties with respect to the subject matter hereof, and supersedes all prior or  
23 contemporaneous agreements, negotiations, representations, understandings, and discussions  
24 between and among the parties, their respective representatives, and any other person or entity, with  
25 respect to the subject matter covered hereby. The parties have included this clause to preclude the  
26 introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this Consent  
27 Order.

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1 10. No Presumption Against Drafter. In that the parties have had the opportunity to draft, review,  
2 and edit the language of this Consent Order, no presumption for or against any party arising out of  
3 drafting all or any part of this Consent Order will be applied in any action relating to, connected to,  
4 or involving this Consent Order. Accordingly, the parties waive the benefit of Civil Code section  
5 1654 and any successor or amended statutes, providing that in cases of uncertainty, language of a  
6 contract should be interpreted most strongly against the party who caused the uncertainty to exist.

7 11. Voluntary Agreement. Goodrich hereby enters in this Consent Order voluntarily and  
8 without coercion and acknowledges that no promises, threats, or assurances have been made by the  
9 Commissioner or any officer, or agent thereof, about this Consent Order.

10 12. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of  
11 this Consent Order will be valid or binding unless it is in writing and signed by all parties affected  
12 by it. Waiver of a provision of this Consent Order Agreement will not be deemed a waiver of any  
13 other provision.

14 13. Counterparts. The parties agree that this Consent Order may be executed in one or  
15 more separate counterparts, each of which when so executed, shall be deemed an original. A fax or  
16 electronic mail signature shall be deemed the same as an original signature. Such counterparts shall  
17 together constitute and be one and the same instrument.

18 14. Public Record. Goodrich acknowledges that the Consent Order is public record.

19 15. Headings. The headings to the paragraphs of this Consent Order are inserted for  
20 convenience only and will not be deemed a part hereof or affect the construction or interpretation of  
21 the provisions hereof.

22 16. Governing Law. This Consent Order shall be construed and enforced in accordance  
23 with and governed by California law.

24 17. Effective Date. This Consent Order will become effective on the date it is signed by  
25 all parties and delivered by the Commissioner to Goodrich by electronic mail at:  
26 matt.goodrich@raymondjames.com.

27 18. Settlement Authority. Each party represents that the person signing this Consent  
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Order on its behalf has the authority and capacity to do so.

Dated: 4/4/19

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
MARY ANN SMITH  
Enforcement Division  
Department of Business Oversight

Dated: 4/2/19

GOODRICH & ASSOCIATES, LLC

By \_\_\_\_\_  
MATTHEW GOODRICH  
Manager