

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
DIVISION OF SECURITIES
1511 PONTIAC AVENUE, BUILDING 69-1
CRANSTON, RI 02920

IN THE MATTER OF

KLR INVESTMENT ADVISORS, LLC

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CONSENT AGREEMENT

I.

The Securities Division ("Division") of the Rhode Island Department of Business Regulation ("Department") enters into this Consent Agreement ("Agreement") to resolve concerns that §7-11-209(d.) of the Rhode Island Uniform Securities Act of 1990 ("RIUSA", the "Act"), § 7-11-101 *et seq.* of the Rhode Island General Laws, 1989, as amended, and Rule 209(d.)-1 (B.) promulgated under the Act may have been violated by KLR Investment Advisors, LLC ("KLR", the "Firm"). The Division has determined to resolve this matter, after examination but without instituting administrative proceedings, by entering into this Agreement.

II.

It is hereby agreed by and between the Division and KLR that:

1. KLR, a limited liability corporation registered in Rhode Island, is a licensed investment adviser with a principal place of business at 951 North Main Street, Providence, Rhode Island.
2. Concurrently while licensed as an investment adviser in this State, KLR acts as a solicitor¹ for other investment advisers licensed in this State in return for a cash fee paid to KLR pursuant to a written agreement with those investment advisers.

3. During a routine examination conducted by the Division on August 22, 2012, it was discovered that KLR may have neglected to provide documentation required under Rule 206(4)-3 promulgated under the Investment Advisers Act of 1940 (the "Advisers Act") while acting as a solicitor and receiving cash payments for client solicitations.

4. Such an oversight on the part of KLR to comply with the recordkeeping provisions of the Advisers Act would constitute a violation of the Post-Licensing Requirements statute of the RIUSA, §7-11-209(d), and Rule 209(d)-1 (B.) promulgated under the RIUSA that requires every investment adviser, whether or not subject to the Investment Advisers Act of 1940, to make and keep current the records required by that Act and rules thereunder.

5. It is the position of the Division that KLR may have violated § 7-11-209(d) of RIUSA and Rule 209(d)-1 of the Rules promulgated thereunder.

III

Based on the foregoing, the Division finds that the following is in the public interest, appropriate for the protection of investors and consistent with the purposes intended by the policy and provisions of the RIUSA.

Accordingly, it is hereby further agreed that:

1. KLR shall immediately undertake to comply fully with §7-11-209(d) of the RIUSA and Rule 209(d)-1 of the Rules promulgated thereunder;
2. Upon execution of this agreement, KLR shall pay an administrative penalty of Twenty Five Hundred Dollars ("\$2,500.00") to the Department for the period during which the violations may have occurred;
3. Additional violations of Section 209 of the RIUSA may be grounds for significant and substantial penalties such as revocation or suspension, administrative penalties up to ten thousand dollars (\$10,000.00) per violation and the imposition of criminal and civil sanctions.

Dated as of the 13th day of November, 2012.

Maria L. D'Alessandro

Maria L. D'Alessandro, Esq.
Deputy Director Securities,
Commercial Licensing and Racing & Athletics

By: [Signature]

KLR Investment Advisors, LLC

Its: MANAGING DIRECTOR

On this 7 day of November, 2012 there appeared before me [Signature],
[Signature] who executed the foregoing Consent Agreement and who duly
acknowledged to me that he/she was authorized to do so.

[Signature]

NOTARY PUBLIC

My Commission Expires 8/17/2015

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¹ RIUSA Sec. 7-11-101(12(A)(IV)). An investment adviser that is registered or required to be registered under RIUSA may lawfully solicit, offer, or negotiate for the sale of or sell investment advisory services.