

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
JOHN O. PASTORE COMPLEX
1511 PONTIAC AVENUE
CRANSTON, RHODE ISLAND 02920**

IN THE MATTER OF:	:	
	:	
DAVID J. REINDEL,	:	DBR No. 08-S-0142
	:	
RESPONDENT.	:	
	:	

**CONSENT ORDER MAKING FINDINGS
AND IMPOSING REMEDIAL ACTIONS**

I.

The Director (“Director”) of the Rhode Island Department of Business Regulation (“Department”) and David J. Reindel (“Respondent”) enter into this Consent Order Making Findings and Imposing Remedial Actions (“Consent Order”) pursuant to R.I. Gen. Laws §§ 7-11-212, 7-11-602 and 7-11-710 of the Rhode Island Uniform Securities Act of 1990 (“RIUSA”), R.I. Gen. Laws § 7-11-101, *et seq.*, and R.I. Gen. Laws § 42-35-1, *et seq.* The parties have determined to resolve this matter without instituting administrative proceedings. The Director accepts Respondent’s executed Offer of Settlement (“Offer”), attached hereto as Exhibit A, and enters this Consent Order making the findings and imposing the remedial actions set forth below.

II.

On the basis of this Order and the Offer, the Director makes the following findings of fact and conclusions of law:

1. Respondent was licensed as an Investment Adviser Representative in the State of Rhode Island with Brookstone Capital Management, LLC, ("Brookstone"), CRD 141413. Respondent obtained licensure in this State with Brookstone on August 1, 2007 and terminated the licensure when he left Brookstone.

2. On June 16, 2008, Respondent applied for licensure as an Investment Adviser Representative with Echo Advisory Group, LLC ("Echo"), CRD 143712. Echo is an Investment Adviser headquartered at 2496 Jett Ferry Road, Atlanta, Georgia.

3. A review of Respondent's application for licensure with Echo revealed that Respondent failed to disclose a prior regulatory action taken against him by the Securities Division of the Department.

4. On the application for licensure submitted by Echo to register the license of Respondent, Respondent or Echo on behalf of Respondent answered "no" to Question 14D(1), which asked, "Has any...state regulatory agency...ever entered an order against you in connection with any investment related activity?"

5. Contrary to Respondent's negative response to Question 14(D)(1), the Department issued an Emergency Order to Cease and Desist (the "Emergency Order") to Respondent directing him to refrain from further violations of the RIUSA, specifically R.I. Gen. Laws §§ 7-11-201, 7-11-212, 7-11-301, and 7-11-501, on March 14, 2000.

6. Based on information and belief, Respondent failed to disclose the Department's administrative action taken against him in the Emergency Order in violation of R.I. Gen. Laws §§ 7-11-212(b)(1) and 7-11-212(b)(2).

7. Prior to obtaining his current licensure as an Investment Adviser Representative with Brookstone, Respondent was previously licensed as a Registered Representative with the following

Broker-Dealer Firms:

- a. KCD Financial, Inc. – July 18, 2006 through August 6, 2007
- b. Berthel, Fisher & Company – January 5, 2006 through July 21, 2006
- c. USA Financial Services Corp. – June 4, 2004 through July 26, 2004
- d. NSA Securities Corporation – January 21, 2004 through April 28, 2004
- e. Jefferson Pilot Securities Corp. – July 8, 2000 through January 20, 2004

8. Upon licensure with each of the Broker-Dealer Firms referenced above, Respondent's Form U-4 was not amended to include the Department's administrative action against him in violation of R.I. Gen. Laws §§ 7-11-212(b)(1) and 7-11-212(b)(2).

9. Based on the foregoing, the Director issued Respondent a Notice of Intent to Deny, Bar, Revoke or Suspend License, Impose Civil Penalty, and of Opportunity for Hearing ("Notice") on July 18, 2008 to deny his application for licensure as an investment adviser representative with Echo, revoke his current investment adviser representative license with Brookstone, and bar Respondent from associating with another licensed broker dealer or investment adviser in this State.

10. Respondent made a timely request for hearing pursuant to the Notice on August 8, 2008.

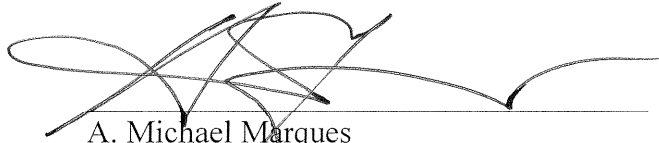
III.

The Director determines that the entry of this Order is in the public interest and consistent with the purposes intended by the policy and provisions of the Rhode Island Uniform Securities Act.

Accordingly, IT IS HEREBY ORDERED that:

1. Respondent shall pay to the Department an administrative assessment in the amount of Five Hundred Dollars (\$500.00) due upon the Respondent's consent of the entry of this Consent Order.

2. In lieu of his application submitted for licensure with Echo, Respondent shall submit an application for licensure as an Investment Adviser Representative with Aventura Capital Management, LLC ("Aventura"), CRD 142478. Approval for the Respondent's Aventura application shall not be unreasonably withheld.



A. Michael Marques
Director

Dated: 01-21-2009

Entered as an Administrative Order No. 09- 029 on this 21st day of January, 2009.

THIS CONSENT ORDER CONSTITUTES A FINAL ORDER OF THE DEPARTMENT OF BUSINESS REGULATION PURSUANT TO R.I. GEN. LAWS § 42-35-1, ET SEQ. AS SUCH, THIS ORDER MAY BE APPEALED TO THE SUPERIOR COURT SITTING IN AND FOR THE COUNTY OF PROVIDENCE WITHIN THIRTY (30) DAYS OF THE DATE OF THIS DECISION. SUCH APPEAL, IF TAKEN, MAY BE COMPLETED BY FILING A PETITION FOR REVIEW WITH THE COURT. HOWEVER, RESPONDENT UNDERSTANDS THAT BY WAIVING HIS RIGHT TO A COMPLETE HEARING AND AGREEING TO THIS CONSENT ORDER, THE ABOVE RIGHTS ARE WAIVED AND IF ANY TERMS OF THIS CONSENT ORDER ARE VIOLATED, RESPONDENT IS SUBJECT TO ANY APPLICABLE ENFORCEMENT REMEDIES UNDER THE ACT.

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IN THE MATTER OF: :
 :
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 DAVID J. REINDEL, : DBR No. 08-S-0142
 :
 :
 RESPONDENT. :

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OFFER OF SETTLEMENT


The above-named Respondent submits this Offer of Settlement (“Offer”) consenting to entry of a Consent Order Making Certain Findings and Imposing Remedial Sanctions (“Order”), to the Director of the Rhode Island Department of Business Regulation (“Director”) with respect to the matters set forth in the Order.

Respondent submits this Offer for the purposes of settlement only, with the express understanding that this does not constitute an admission of guilt or wrongdoing.

Respondent hereby waives all rights to a hearing, further administrative proceedings and/or judicial review with respect to entry of the Order.

Respondent understands that a failure to comply with the terms of the Order is a violation of law and will cause the Director to take appropriate regulatory action.


Respectfully submitted this 14 day of January, 2009.

By: 

County of NEW LONDON

State of CONNECTICUT

On this 14th day of January, 2009, appeared before me DAVID J. REINDEL, who executed the foregoing Offer of Settlement and who duly acknowledged to me that he was authorized to do so.



NOTARY PUBLIC

My Commission Expires on 9-30-2010