

BEFORE THE SECURITIES COMMISSIONER
OF THE STATE OF KANSAS



In the Matter of:

Prosperity Advisers, LLC (CRD No. 282998)

Docket No. ~~21~~ ~~28~~ 28

KSC No. 2020-6691

Respondent.

Pursuant to K.S.A. 17-12a604

CONSENT ORDER

1. The Staff of the Office of the Kansas Securities Commissioner (“KSC Staff”) allege that Prosperity Advisers, LLC. (“Prosperity Advisers”) engaged in conduct constituting violations of the Kansas Uniform Securities Act, K.S.A. 17-12a101 *et seq.* (“the KUSA”), and that Prosperity Advisers is subject to sanctions and remedies under K.S.A. 17-12a604.
2. Prosperity Advisers and KSC Staff desire to settle the matters raised by KSC Staff relating to Prosperity Advisers’s alleged violations.

CONSENT TO JURISDICTION

3. Prosperity Advisers and KSC Staff stipulate and agree that, under the KUSA, the Securities Commissioner of Kansas (“the Commissioner”) has jurisdiction over Prosperity Advisers and this matter.
4. Prosperity Advisers and KSC Staff stipulate and agree that the Commissioner has authority to enter this Order under K.S.A. 17-12a604.

WAIVER AND EXCEPTION

5. Prosperity Advisers waives his right to a hearing with respect to these matters.
6. Prosperity Advisers waives any rights that it may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order.

CONSENT TO THE COMMISSIONER'S ORDER

7. Prosperity Advisers and KSC Staff agree to the issuance of this Order without further proceedings in this matter, and agree to be fully bound by the terms and conditions specified herein.
8. Without admitting or denying the allegations made by the KSC Staff as reflected in the Findings of Fact and Conclusions of Law set forth below, Prosperity Advisers agrees to the issuance of this Order on the basis of such Findings of Fact and Conclusions of Law solely for the purposes of this proceeding and any proceeding that may be brought to enforce the terms of this Order.
9. Prosperity Advisers agrees to not take any action nor to make or permit to be made any public statement creating the impression that this Order is without a factual basis. Nothing in this Order affects Prosperity Advisers's testimonial obligations or right to take legal or factual positions in defense of litigation or in defense of other legal proceedings in which the Commissioner is not a party.

FINDINGS OF FACT

10. Prosperity Advisers is a Florida limited liability company with its principal place of business located at 580 Virginia Drive, Ste. 310, Fort Washington,

Pennsylvania 19034. Prosperity Advisers does not have a place of business in Kansas.

11. Prosperity Advisers's Chief Compliance Officer is Daniel Barram ("Barram"), CRD No. 6621910.
12. On March 20, 2019, Prosperity Advisers submitted a Form ADV to the CRD, requesting registration as an investment adviser under the KUSA ("Application"). Prosperity Advisers's Application was approved on June 3, 2020, at which time Prosperity Advisers became an investment adviser registered under the KUSA.
13. On July 31, 2020, Prosperity Advisers became a federal covered investment adviser. That same day, Prosperity Advisers filed notice as a federal covered investment adviser under the KUSA pursuant to K.S.A. 17-12a405(c).
14. On July 31, 2020, Prosperity Advisers filed a Form ADV-W with the CRD, requesting that the company's registration as an investment adviser under the KUSA be withdrawn. Prosperity Advisers's request was approved on August 4, 2020, at which time Prosperity Advisers registration as an investment adviser under the KUSA was terminated effective July 31, 2020.
15. At the time of Prosperity Advisers's Application on March 20, 2019, Prosperity Advisers had four clients who were residents of Kansas. Because at this time Prosperity Advisers did not have more than five clients who were residents of Kansas at this time, Prosperity Advisers was exempt from registering as an investment adviser under the KUSA pursuant to K.S.A. 17-12a403(b)(2).

16. As of October 8, 2019, Prosperity Advisers had eight clients who were residents of Kansas, and the company was no longer exempt from registering as an investment adviser under the KUSA.
17. Between October 8, 2019, and June 3, 2020, Prosperity Advisers transacted business in Kansas as an investment adviser during which time Prosperity Advisers was neither registered as an investment adviser under the KUSA nor exempt from registration.

CONCLUSIONS OF LAW

18. The Commissioner has jurisdiction over Prosperity Advisers and this matter.
19. Prosperity Advisers violated K.S.A. 17-12a403 by transacting business in Kansas as an investment adviser at a time when Prosperity Advisers was neither registered as an investment adviser under the KUSA nor exempt from registration.
20. Prosperity Advisers violation of K.S.A. 17-12a403 is grounds for sanctions or remedies under K.S.A. 17-12a604(b).

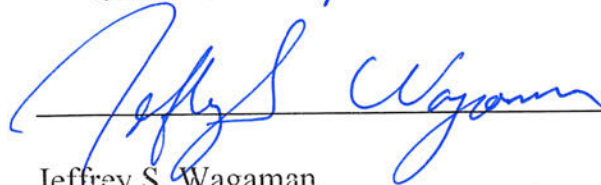
ORDER

IT IS THEREFORE ORDERED that Prosperity Advisers shall pay a civil penalty in the amount of \$500.00. Payment shall be in the form of a cashier's check made payable to the "Office of the Kansas Securities Commissioner," and delivered to Kansas Insurance Department, Securities Division, Attention Jack Clayton Johnson, 1300 SW Arrowhead Road, Topeka, KS 66604. Such payment shall be made within 30 days of

service of this Order upon Prosperity Advisers. Upon receipt, such payment shall be deposited in the Investor Education and Protection Fund.

IT IS SO ORDERED BY THE COMMISSIONER.

Entered at Topeka, Kansas, this 22 day of September, 2020,



Jeffrey S. Wagaman
Kansas Securities Commissioner

CONSENTED TO BY:



Thomas E. Knutzen, Kansas Bar No. 24471
Chief Litigation Counsel
OFFICE OF THE KANSAS SECURITIES COMMISSIONER
Attorney for KSC Staff



Prosperity Advisers, LLC
by Daniel Barram, Chief Compliance Officer
Respondent

NOTICES

(1) A party to this action may petition the Commissioner for reconsideration within 15 days after service of a final order, following the procedures in K.S.A. 77-529. Under K.S.A. 77-528, a party may petition for a stay of effectiveness of this order until the time at which a petition for judicial review would no longer be timely.

(2) This decision may be subject to judicial review. The agency officer to receive service of a petition for judicial review on behalf of the Office of the Securities Commissioner is Jack Clayton Johnson, Chief Regulatory Counsel, at 1300 SW Arrowhead Road, Topeka, Kansas 66604.