

In The Matter Of:	)	
	)	
THE NORTH CAROLINA SECURITIES DIVISION,	)	
	)	
Petitioner,	)	
	)	
	)	CONSENT ORDER
vs.	)	
	)	
Palmetto Premier Advisors, LLC	)	
CRD #282960	)	
820 Tyvola Road, Suite 201	)	
Charlotte, North Carolina 28217; and	)	
	)	
Michael Paul Lessard, Jr.	)	
CRD #5968857	)	
	)	FILE NO. 16SEC033
Respondents.	)	

**WHEREAS, Palmetto Premier Advisors, LLC,** is a South Carolina limited liability company that holds itself out to the general public as providing investment advisory services and maintains a principal place of business at 820 Tyvola Road, Suite 201, Charlotte, North Carolina, 28217; and

**WHEREAS,** the North Carolina Securities Division has filed an Administrative Petition against the above-named Respondents and a Summary Order of Postponement of Registration was issued and entered by the Deputy Securities Administrator on July 14, 2016; and

**WHEREAS,** the Secretary of State of the State of North Carolina (the “Secretary of State”), as Administrator of the North Carolina Investment Advisers Act (North Carolina General Statutes, Chapter 78C), the Securities Division of the Department of the Secretary of State (the “Securities Division”), and the Respondents have negotiated this Consent Order; and

**WHEREAS,** the Respondents have fully cooperated with the Securities Division by responding to inquiries, actively communicating with the Securities Division, providing

documentary evidence and other materials relating to the Securities Division's securities investigation into certain activities undertaken by Respondents; and

**WHEREAS**, the Respondents agree to certain conditions set out within this Consent Order; and

**WHEREAS**, the Respondents elect to permanently waive any rights to judicial review or a hearing and appeal under Chapter 78C (the North Carolina Investment Advisers Act) or Chapter 150B of the North Carolina General Statutes (the Administrative Procedure Act) with respect to this Consent Order;

**NOW, THEREFORE**, the Securities Administrator, acting through her duly appointed Deputy Securities Administrator, pursuant to and under all authority granted by the North Carolina Investment Advisers Act, and with the consent of the Respondents, does hereby enter into this Consent Order in full and complete settlement of the Administrative Petition and Summary Order of Postponement of Registration issued and entered on July 14, 2016 against the above-named Respondents.

#### **I.**

#### **JURISDICTION AND CONSENT**

Respondents admit the jurisdiction of the Securities Division, neither admit nor deny the Findings of Fact and Conclusions of Law contained in this Consent Order, and consent to the entry of this Consent Order by the Deputy Securities Administrator.

#### **II.**

#### **FINDINGS OF FACT**

The Securities Administrator, acting by and through her duly appointed Deputy Securities Administrator, makes the following findings of fact regarding a securities investigation into certain activities undertaken by the Respondents:

1. Respondent Palmetto Premier Advisors, LLC is a limited liability company organized and existing under the laws of the State of South Carolina which maintains its principal place of business at 820 Tyvola Road, Suite 201, North Carolina.
2. On July 6, 2014, while registered as a securities salesman with MetLife, Michael Paul Lessard, Jr. (hereinafter, "Lessard") purposely reproduced a client's signature on an application for the purchase of a fixed annuity contract.
3. On July 6, 2014, Lessard purposely entered false information into his firm's customer contact logs to make it appear that he had a telephone conversation on July 6<sup>th</sup> with the client whose signature he had just reproduced.
4. As a result of self-reporting and admitting to the reproduction and entry of false information into the firms' books and records, MetLife terminated Lessard's registration as a securities salesman in North Carolina.
5. After Lessard was terminated from employment with MetLife, the North Carolina Department of Insurance and Lessard agreed to a voluntary settlement that included the imposition and payment of a civil penalty of five hundred dollars (\$500.00).
6. As a result of the reproduced signature and the entry of false information into his firm's books and records, as described in Paragraphs 2 and 3 above, on March 14, 2016, FINRA imposed a ten thousand dollar (\$10,000.00) fine against Lessard and suspended Lessard for four (4) months from association with any FINRA member firm in all capacities.
7. Respondent Palmetto Premier Advisors, LLC filed an application for registration as an investment adviser in North Carolina on March 22, 2016.

8. Michael Paul Lessard, Jr. was listed on the Form ADV as the sole Managing Principal and CCO of Respondent Palmetto Premier Advisors, LLC and, as such, occupied a position of control and authority with respect to said Respondent.
9. On July 14, 2016, the North Carolina Securities Division filed an Administrative Petition against the above-named Respondents and a Summary Order of Postponement of Registration was issued and entered by the Deputy Securities Administrator on July 14, 2016.
10. At the time of the filing of the Order of Postponement, Lessard was subject to a suspension issued by FINRA from association with any FINRA member firm in all capacities.
11. At this time, Lessard has served his 4 month suspension and is current with his agreed upon payment schedule for payment of the FINRA imposed fine.

### **III.**

#### **CONCLUSIONS OF LAW**

1. The Secretary of State, as Securities Administrator, has statutory authority pursuant to N.C.G.S. §78C-19(c) to issue summary Orders postponing or suspending the registration of investment advisers and investment adviser representatives to engage in the business of providing investment advisory services in North Carolina pending final determination of an administrative proceeding initiated under N.C.G.S. §78C-19(a).
2. N.C.G.S. §78C-19(a)(2)(b) provides that registration may be suspended or denied to an applicant for registration as an investment adviser who has, or whose officer, director, partner, or other person occupying a similar position with the applicant has, engaged in willful violation(s) of the North Carolina Securities Act (Chapter 78A) and the rules issued pursuant to that Chapter. N.C.G.S. §78C-19(c) allows the Administrator to suspend or postpone the registration of an applicant pending a final determination of a proceeding under N.C.G.S. §78C-19(a).

3. The act of reproducing a clients' signature described in Paragraph 2 of the Findings of Fact, above, constitutes engaging in a practice described in N.C.G.S. §78A-39(a)(2)(g) and 18 NCAC 06A. 1414(d).
4. The act of falsifying firm records as described in Paragraph 3 of the Findings of Fact, above, constitutes engaging in a practice described in N.C.G.S. §78A-39(a)(2)(g) and 18 NCAC 06A. 1414(c)(10) and 18 NCAC 06A .1414(b)(26).
5. The activities of Lessard described in Paragraph 2 and 3 of the Findings of Fact, above, constitute willful violations of Chapter 78A (the North Carolina Securities Act) and/or any rule under Chapter 78A.
6. Pursuant to the provisions of N.C.G.S. §§78C-19(a)(2)(b), the application for registration of Respondent Palmetto Premier Advisors, LLC as an investment adviser in North Carolina is subject to suspension and/or denial as the result of its sole Managing Principal, Lessard, having engaged in willful violation(s) of the North Carolina Securities Act (Chapter 78A) and the rules issued pursuant to that Chapter.
7. The entry of this Consent Order is in the public interest for the protection of investors and clients and consistent with the purposes fairly intended by the policy and provisions of the North Carolina Investment Advisers Act.

**IV.  
ORDER**

**NOW, THEREFORE,** with the consent and agreement of the Respondents, it is **HEREBY ORDERED AND AGREED** that the Respondents shall immediately cease and desist from transacting business in this State in violation of the provisions of the North Carolina Investment Advisers Act or the rules thereunder.

**IT IS FURTHER AGREED** that Respondent Palmetto Premier Advisors, LLC's request for registration as an investment adviser in North Carolina shall be declared effective upon the condition that Palmetto Premier Advisors, LLC shall designate Matthew King, CRD #5703676 as the person responsible for the supervision of Michael Paul Lessard, Jr., consistent with the rules issued under the North Carolina Investment Advisers Act, in North Carolina. Lessard will be supervised for 12 months following the issuance and entry of this Consent Order.

**IT IS FURTHER AGREED** that provided there have been no disclosable events or customer complaints filed against Michael Paul Lessard, Jr. within 12 months of the entry of this Order, Mr. Lessard will no longer be subject to direct supervision as an investment adviser representative.

**IT IS FURTHER ORDERED** that Michael Paul Lessard, Jr. will provide proof within 12 months of the entry of this Order that the FINRA fine has been paid and satisfied in full.

**IT IS FURTHER ORDERED AND AGREED** that both Matthew King and Michael Paul Lessard, Jr. will attend an investment adviser compliance seminar conducted by the NC Securities Division, either recorded or live, within 12 months following the entry of this Order.

The agreement to the entry of the Consent Order is in settlement of the summary order postponing registration issued by the Deputy Securities Administrator on July 14, 2016 and the Respondents do not admit or deny the findings of fact and conclusions of law.

Respondents, by execution of this Consent Order, waive any right to a hearing or judicial review thereof. Each said Respondent affirmatively states that he has freely agreed to the signing of this Consent Order, and that no threats, promises or offers of any kind, other than as stated in this document, have been made by the Securities Administrator, Deputy Securities Administrator, any member of the staff of the Securities Division, or any agent or employee of the Department of the Secretary of State in connection with the signing of this Consent Order.

This Consent Order shall become final upon entry.

WITNESS MY HAND AND THE OFFICIAL SEAL of the North Carolina Department of the Secretary of State, this the 24<sup>TH</sup> day of OCTOBER 2016.

Time of entry: 10:35 A.M.



ELAINE F. MARSHALL  
SECRETARY OF STATE OF NORTH CAROLINA and  
SECURITIES ADMINISTRATOR, by

  
\_\_\_\_\_  
KEVIN M. HARRINGTON  
DEPUTY SECURITIES ADMINISTRATOR

**CONSENT TO ENTRY OF ORDER BY PALMETTO PREMIER ADVISORS, LLC**

1. **PALMETTO PREMIER ADVISORS, LLC** hereby acknowledges that it has been served with a copy of this Order, has read the foregoing Order, is aware of its right to a hearing and appeal in this matter, and has waived this right.
2. **PALMETTO PREMIER ADVISORS, LLC** admits the jurisdiction of the Securities Division, neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order; and consents to entry of this Order by the Secretary of State.
3. **PALMETTO PREMIER ADVISORS, LLC** states that no promise of any kind or nature whatsoever was made to it to induce it to enter into this Order and that it has entered into this Order voluntarily.
4. **PALMETTO PREMIER ADVISORS, LLC** understands that the State of North Carolina may make such public announcement concerning this agreement and the subject matter thereof as the State of North Carolina may deem appropriate.

Matthew T. King represents that he/she is Chief Compliance Officer of **PALMETTO PREMIER ADVISORS, LLC** and that, as such, has been authorized by **PALMETTO PREMIER ADVISORS, LLC** to enter into this Order for and on behalf of **PALMETTO PREMIER ADVISORS, LLC**.

Dated this 19 day of OCTOBER, 2016.

By: \_\_\_\_\_

Title: Chief Compliance Officer

SUBSCRIBED AND SWORN TO before me this 19<sup>th</sup> day of October, 2016.

Vipul Kumar O. Trivedi  
Notary Public

My Commission expires: Nov. 15<sup>th</sup> 2020

VIPULKUMAR O. TRIVEDI  
NOTARY PUBLIC  
Mecklenburg County  
North Carolina  
My Commission Expires: Nov. 15, 2020

**CONSENT TO ENTRY OF ORDER BY MICHAEL PAUL LESSARD, JR.**

1. **MICHAEL PAUL LESSARD, JR.** hereby acknowledges that he has been served with a copy of this Order, has read the foregoing Order, is aware of his right to a hearing and appeal in this matter, and has waived this right.
2. **MICHAEL PAUL LESSARD, JR.** admits the jurisdiction of the Securities Division, neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order; and consents to entry of this Order by the Secretary of State.
3. **MICHAEL PAUL LESSARD, JR.** states that no promise of any kind or nature whatsoever was made to him, other than as represented in this Order, to induce him to enter into this Order and that he has entered into this Order voluntarily.
4. **MICHAEL PAUL LESSARD, JR.** understands that the State of North Carolina may make such public announcement concerning this agreement and the subject matter thereof as the State of North Carolina may deem appropriate.

Dated this 17 day of October, ~~2006~~ <sup>2016</sup>.

By:   
**MICHAEL PAUL LESSARD, JR.**

SUBSCRIBED AND SWORN TO before me this 19<sup>th</sup> day of October, 2016.

  
\_\_\_\_\_  
Notary Public

VIPULKUMAR O. TRIVEDI NOTARY PUBLIC Mecklenburg County North Carolina My Commission Expires: Nov.15, 2020
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My Commission expires: Nov. 15<sup>th</sup> 2020