BEFORE THE NATIONAL ADJUDICATORY COUNCIL

FINANCIAL INDUSTRY REGULATORY AUTHORITY

In the Matter of the Continued Membership of TCFG Wealth Management, LLC with FINRA	Notice Pursuant to Rule 19h-1 Securities Exchange Act of 1934 SD-2383 Date: July 8, 2025

I. Introduction

On November 14, 2023, TCFG Wealth Management, LLC (the "Firm" or "TCFG") submitted to FINRA a Membership Continuance Application ("MC-400A" or "the Application").[1] The Application seeks to permit the Firm, a FINRA member subject to a statutory disqualification, to continue its membership with FINRA. A hearing was not held in this matter. Rather, pursuant to FINRA Rule 9523(a), FINRA's Department of Member Supervision ("Member Supervision") recommended that the Chairperson of the Statutory Disqualification Committee, acting on behalf of the National Adjudicatory Council, approve the Firm's continued membership with FINRA pursuant to the terms and conditions set forth below.

For the reasons explained below, we approve the Application.

II. The Statutorily Disqualifying Event

The Firm is subject to a statutory disqualification because of a July 19, 2023, final judgment (the "Final Judgment") entered by the United States District Court for the

[1] On November 20, 2023, the Firm submitted to FINRA a Membership Continuance Application seeking permission for Richard Roberts ("Roberts"), the Firm's majority indirect owner, chief executive officer ("CEO"), and president, to continue to associate with the Firm notwithstanding his statutory disqualification. Roberts is statutorily disqualified based upon the same underlying misconduct as the Firm. Contemporaneous with filing this 19h-1 notice, FINRA has filed a 19h-1 notice approving the continued association of Roberts with the Firm notwithstanding his statutory disqualification.

Central District of California against the Firm.[2] The Final Judgment "permanently restrained and enjoined [the Firm] from violating, directly or indirectly, while acting as an investment adviser, Section 206(2) of the Investment Advisers Act of 1940 ("Advisers Ac") [15 U.S.C. §§ 80b-6(2)] by using the mails or any instrumentality of interstate commerce to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client."[3] Pursuant to the Final Judgment, which the Firm consented to without admitting or denying any allegations, the court ordered the Firm to disgorge $287,753, plus prejudgment interest totaling $18,899, and to pay a civil penalty of $100,000. The disgorgement and related interest were payable jointly and severally with Roberts and TCFG Advisors. All monetary sanctions imposed by the Final Judgment have been paid.

The Final Judgment is based on a September 2021 complaint filed against the Firm, Roberts, and TCFG Advisors by the SEC (the "SEC Complaint"). The SEC Complaint alleged that Roberts and TCFG Advisors breached their fiduciary duties to their advisory clients and that Roberts used the Firm to aid and abet this misconduct.[4] Specifically, the SEC Complaint alleged that from June 2014 through April 2020, Roberts and TCFG Advisors made materially false and misleading statements to investment advisory clients on Form ADV Part 2A and Firm Brochures by falsely stating that the Firm "may" receive portions of the fees charged to TCFG Advisor accounts by a third-party clearing and custody firm. The SEC Complaint alleged that Roberts had

---

[2] The court entered similar judgments against Roberts and TCFG Investment Advisors, LLC ("TCFG Advisors"), the Firm's affiliated registered investment adviser.

[3] Section 3(a)(39)(F) of the Securities Exchange Act of 1934 ("Exchange Act"), which incorporates by reference Exchange Act Section 15(b)(4)(C), provides that a member firm is subject to statutory disqualification if it is enjoined from, among other things, engaging or continuing to engage in any conduct or practice as a broker-dealer or investment adviser, or in connection with the purchase or sale of any security. Advisers Act Section 206 provides that:

> It shall be unlawful for any investment adviser, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly—
>
> > . . . (2) To engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client; . . .

[4] Advisers Act Section 209(f) provides that, "[f]or purposes of any action brought by the Commission under subsection (e), any person that knowingly or recklessly has aided, abetted, counseled, commanded, induced, or procured a violation of any provision of this Act, or of any rule, regulation, or order hereunder, shall be deemed to be in violation of such provision, rule, regulation, or order to the same extent as the person that committed such violation."

directed the clearing and custody firm to charge TCFG Advisors's clients an additional markup that was then paid to the Firm. Further, the SEC Complaint alleged that although Roberts and TCFG Advisors later disclosed these markups, they continued to mislead clients by stating that the fees were imposed "in some limited instances" when in fact they knew, or were reckless in not knowing, that the fees were imposed approximately 60% of the time. The SEC Complaint alleged that the Firm knowingly or recklessly provided substantial assistance to, and therefore aided and abetted Roberts's and TCFG Advisors's violations of, the Advisers Act.

The SEC Complaint asserted that by engaging in this conduct, the Firm, pursuant to Advisers Act Section 209(f), aided and abetted the other defendants' conduct, and unless restrained and enjoined the Firm would continue to aid and abet violations of Advisers Act Sections 206(1) and (2).

III. Remedial Measures Taken by the Firm

The Firm represents that it took numerous remedial measures, some prior to entry of the Final Judgment, to prevent reoccurrence of the misconduct underlying the Final Judgment. For example, Roberts, who had served as chief compliance officer of TCFG Advisors, was relieved of this role, and the Firm hired two new compliance examiners to enhance supervision. The Firm also retained an independent consultant to conduct a comprehensive audit of the Firm's and TCFG Advisors's policies, procedures, supervision, and disclosure practices. Further, the Firm represents that it expanded training for Firm employees and that it will undertake a separate review of TCFG Advisors's disclosures that are related to the Firm to ensure that the Firm has visibility into, and oversight of, disclosures that reference the Firm.[5]

Moreover, the Firm represents that Roberts's duties and responsibilities as CEO of the Firm have been limited to overseeing its business operations, recruiting, managing personnel issues,[6] acting as the backup principal for the Firm's municipal securities and

---

[5] The Firm also represents that prior to the SEC Complaint, TCFG Advisors revised the problematic disclosures in its Form ADV.

[6] Notwithstanding Roberts's responsibilities to manage personnel issues, the Firm represents that Roberts, "as a practical matter, effectively operates under limited authority as to employment and personnel matters (hiring/firing, promotion/demotion, compensation), including as to the proposed supervisors and the members of the [Firm's Legal and Compliance Oversight Committee ("LCOC"),] and also as to other high-level decisions." The Firm notes that any high-level strategic decisions impacting personnel, operations, and resources (including suggestions made by Roberts involving employment decisions, compensation, or major structural changes) must gain approval from the Firm's CCO, Deetra Tesla ("Tesla") and the Firm's operations manager, Henry Martinez Pena ("Pena") (who, together with the Firm's financial and operations principal, Steven L. Thornton ("Thornton"), comprise the LCOC). The Firm further represents that in the

[Footnote continued on next page]

options businesses, and supervising the Firm's medical sector investment banking practice.[7] Roberts will not have any supervisory responsibility over registered representatives engaged in the Firm's brokerage activities except as stated above.

In addition, the Firm represents that it formed the LCOC to: (1) provide oversight of Roberts's supervision consistent with the proposed heightened supervisory plan filed in connection with Roberts's statutory disqualification; (2) review and approve TCFG Advisors's disclosures on Form ADV Part 2A (which includes disclosures concerning fees and compensation) and other Firm Brochures, the Firm's Form BD, and Uniform Applications for Securities Industry Registration or Transfer for the Firm's registered representatives; and (3) monitor and address any substantial legal and compliance issues that may arise at the Firm or TCFG Advisors. The Firm has established written policies and procedures for the LCOC that govern its purpose, composition, and responsibilities. Among other things, the LCOC's policies and procedures provide that it will meet monthly to review Roberts's supervision and activities and to address promptly any conflicts of interest or red flags concerning Roberts's supervision. Importantly, the LCOC's policies and procedures prohibit Roberts from serving on the LCOC, and he has no authority to remove members of the LCOC.

IV. Background Information

A. The Firm

The Firm is based in Laguna Niguel, California and has been a FINRA member since December 2012. According to the Firm's Central Registration Depository ("CRD"®) record, it has 12 branch offices, three of which are Offices of Supervisory Jurisdiction ("OSJ"). The Firm employs 35 registered representatives, 15 of whom are

---

event of any disagreement on such proposals, the matter is typically referred to Thornton to serve as a deciding vote and oversight control for the executive group. The Firm states that Roberts, Tesla, and Pena meet every two weeks to discuss all significant business decisions at the Firm and "[t]his established governance process ensures that no single individual has unilateral authority over high-level strategic decisions impacting personnel, including compensation matters."

[7] The Firm represents that its medical sector investment banking practice provides advisory services to healthcare entities. These advisory services include valuation services, deal structuring and advisory services for asset-based transactions, strategic consulting on mergers and acquisitions, and contract review and due diligence. Roberts supervises two registered representatives who are active in this practice, although the Firm states that Roberts's supervision "is primarily consultative rather than 'direct line" management."

registered principals, and 24 non-registered fingerprinted individuals. The Firm currently employs one statutorily disqualified individual, Roberts.

Certus Financial Group, LLC ("Parent") is the sole owner of the Firm. Roberts holds a majority ownership interest in Parent. Parent also is the sole owner of TCFG Advisors and TCFG Insurance Solutions, LLC.

B. Recent Examinations and Regulatory History

1. Examinations

In the past two years, FINRA completed one routine examination of the Firm. In June 2024, in connection with the Firm's 2023 routine examination, FINRA issued the Firm a Cautionary Action. The Cautionary Action cited the Firm for the following deficiencies: failing to enforce written policies and procedures to ensure that recommended transactions were not excessive and were in the best interest of retail customers; failing to timely provide new customers with Form CRS; failing to make timely filings in connection with private placement offerings; failing to accurately record expenses incurred relating to the Firm's business and any corresponding liability; and failing to establish and maintain a supervisory system to ensure that customers were made aware that bonds traded at a market discount and therefore had the potential for negative tax consequences and decreased liquidity. The Firm responded in writing to the deficiencies noted and represented that it took remedial steps to help ensure that deficiencies do not reoccur.

2. Regulatory History

Other than the Final Judgment, the Firm has not been the subject of any regulatory or disciplinary matters.

V. The Firm's Proposed Continued Membership with FINRA and Proposed Plan of Heightened Supervision

The Firm seeks to continue its membership with FINRA notwithstanding the Final Judgment, which renders the Firm statutorily disqualified. The Firm has therefore agreed to the following Plan of Heightened Supervision as a condition of its continued membership with FINRA:

1. The Firm must comply with the Final Judgment entered on July 19, 2023, by the U.S. District Court for the Central District of California in connection with *Securities and Exchange Commission v. Richard James Roberts, TCFG Investment Advisors, LLC and TCFG Wealth Management, LLC*, Case No. 8:21-cv-01615.

2. The LCOC, comprised of Tesla, Pena, and Thornton, must oversee the supervision of Roberts.

3. The Firm must implement and maintain a Heightened Plan of Supervision ("HSP") to supervise Roberts, the Firm's statutorily disqualified indirect owner, President, and CEO and its written supervisory procedures must be amended to state that Tesla is the primary supervisor responsible for the supervision of Roberts.

4. Considering Roberts's roles as President, CEO and indirect owner of TCFG, the Firm must continue its engagement of an independent compliance consultant ("IC") for a period of two years from the date of the SEC's Letter of Acknowledgement ("LOA"), to verify the Firm's compliance with the supervision of Roberts and that his supervisor's performance of her obligations under the HSP is conducted free of intimidation, coercion, or fear of retribution. The IC must certify on a quarterly basis that Roberts's activities were monitored in accordance with the HSP.[8] Copies of all certifications by the IC must be maintained and kept segregated for ease of review by FINRA staff.

5. The Firm must also engage the IC for a period of two years from the date of the LOA to separately review all of the investment adviser disclosures that reference the Firm and any fees, commissions, or payments made to the Firm by TCFG Advisors. Evidence of this review must be kept segregated for ease of review by FINRA staff.

6. The Firm must send to FINRA's Risk Monitoring staff copies of all reports issued by the IC in relation to the supervision of Roberts. The Firm shall maintain copies of all reports issued by the IC in relation to the supervision of Roberts along with all recommendations, the Firm's responses to such reports, whether contesting the IC's observations or documenting compliance, and implementation plans. The Firm must maintain said documents in a segregated file for ease of review by FINRA staff.

7. The LCOC must meet monthly to review the supervision of Roberts and must promptly address any conflicts of interest or red flags that cannot be resolved by Tesla in her capacity as Roberts's primary supervisor. Documents evidencing the LCOC's review must be kept segregated for ease of review by FINRA staff.

8. The Firm must maintain written policies and procedures applicable to the governance of the LCOC. LCOC policies and procedures must be kept segregated for ease of review by FINRA staff.

---

[8] The Firm represents that the IC will also make the same verification with respect to Roberts's alternate supervisor, Pena.

9. Should the Firm revise its LCOC policies and procedures or update them in any way, the Firm must distribute the updated relevant policies and procedures and training to Firm management and employees.[9] The Firm must segregate and maintain all documentation evidencing updates to the policies and procedures and the required dissemination of the relevant Firm policy for ease of review by FINRA staff.

10. Members of the LCOC may only be added or removed with the approval of a majority of the members of the LCOC. Prior to making any changes to the LCOC, the Firm must provide written notice of the proposed changes to FINRA's Risk Monitoring Department. Documents pertaining to the LCOC's organizational structure, membership, and membership changes must be kept segregated for ease of review by FINRA staff.

11. The LCOC must review all draft Form ADV Part 2A, 2A Amendments, or other Firm Brochures (collectively, "IA Brochures") of TCFG Advisors, including all references to the Firm and any fees, commissions, or other payments to be paid to the Firm, as stated in such IA Brochures. The LCOC must approve all references to the Firm and any such fees, commissions, or payments as stated in such IA Brochures. Documents evidencing these reviews and approvals must be maintained and kept segregated for ease of review by FINRA staff.

12. Roberts must not serve on the LCOC.

13. For a period of three years from the date of the LOA, the Firm shall annually evaluate its written supervisory procedures applicable to all employees in order to prevent, detect, and reasonably address conflicts of interest in the Firm's fees and costs policy, including but not limited to the disclosure of fees and costs, to ensure transparency and fairness to customers. Documents evidencing the annual review must be kept segregated for ease of review by FINRA staff.

14. For a period of three years after receipt of the LOA, the Firm must annually review, update, test, and document in writing, the adequacy of the policies and procedures established pursuant to item 13 above for the effectiveness of their implementation. Any "red flags" noted during the Firm's review and testing must be addressed and documented. Any steps taken by the Firm to remediate along with any disciplinary actions taken shall also be documented. The Firm must

---

[9] The Firm states that it will distribute updated policies and procedures to LCOC members, the IC, and relevant compliance personnel who assist with oversight and documentation.

segregate and maintain all documentation related to its annual review testing for ease of review by FINRA staff.

15. For a period of three years from the date of the LOA, the Firm must annually review conflicts of interests training relating to fee disclosures and incorporate any necessary changes based on changes to the Firm's business model, risks, and controls. Documents evidencing such review and any updates made must be kept segregated for ease of review by FINRA staff.

16. For a period of three years from the date of the LOA, the Firm must conduct annual reviews of customer fee disclosures for accuracy ensuring that the disclosures adequately describe the Firm's payment arrangement with its IA, clearing firms, and any relevant third-party vendors. Documents evidencing this review must be kept segregated for ease of review by FINRA staff.

17. The Firm must obtain written approval from the SD Group prior to making any changes to any provision of this Supervision Plan.

18. The Firm must submit any proposed changes or other requested information under this Supervision Plan to the SD Group at SDMailbox@finra.org.

If the Firm's request to continue its membership in FINRA is approved, Member Supervision represents that FINRA intends to utilize its examination and surveillance processes to assess the Firm's continued compliance with the standards prescribed by Exchange Act Rule 19h-1 and FINRA Rule 9523.

VI. Discussion

Member Supervision recommends approving the Firm's request to continue its membership in FINRA. After carefully reviewing the entire record in this matter, we approve the Application.

In evaluating an application like this, we assess whether the statutorily disqualified firm seeking to continue its membership in FINRA has demonstrated that its continued membership is consistent with the public interest and does not create an unreasonable risk of harm to the market or investors. *See* FINRA By-Laws, Art. III, Sec. (3)(d); *cf. Frank Kufrovich*, 55 S.E.C. 616, 624 (2002) (holding that FINRA "may deny an application by a firm for association with a statutorily-disqualified individual if it determines that employment under the proposed plan would not be consistent with the public interest and the protection of investors"). Factors that bear on our assessment include the nature and gravity of the statutorily disqualifying misconduct, the time elapsed since its occurrence, the restrictions imposed, and whether there has been any intervening misconduct.

We recognize that the Final Judgment involved serious violations of securities rules and regulations. We note, however, that the Final Judgment did not expel or suspend the Firm. Nor did the Final Judgment restrict or limit the Firm's securities activities beyond enjoining the Firm from violating the Advisers Act. The record shows that the disgorgement, interest, and penalty imposed by the Final Judgment have been paid.

Moreover, FINRA did not identify any issues similar to those underlying the Final Judgment in connection with the Firm's most recent examination, and other than the Final Judgment, the Firm has no regulatory or disciplinary history. We agree with Member Supervision that the remedial efforts undertaken by the Firm to prevent reoccurrence of the misconduct underlying the Final Judgment also weigh in favor of approving the Application. The Firm enhanced its supervision by hiring additional compliance examiners and expanding training for Firm personnel. The Firm also hired an independent consultant to conduct a comprehensive audit of the Firm's practices and procedures relating to compliance and disclosure matters, for both the Firm and TCFG Advisors, to ensure that the Firm has visibility into, and oversight of, TCFG Advisors's disclosures that reference the Firm. Further, the Firm created the LCOC to ensure that Roberts is stringently supervised and to oversee investment adviser disclosures, fees, and commissions.

These remedial steps, coupled with the provisions of the heightened supervisory plan, should help ensure that similar misconduct does not reoccur. The Firm's heightened supervisory plan includes provisions addressing the misconduct underlying the Final Judgment. For instance, the heightened supervisory plan provides that for several years after the SEC issues an LOA, the Firm must annually review: (1) its disclosures and supervisory procedures to detect and reasonably address conflicts of interest in the Firm's fees and costs policies and the disclosure of fees and costs; (2) its conflicts of interest training relating to fee disclosures for Firm employees; and (3) its customer fee disclosures to ensure that they adequately describe the Firm's payment arrangement with TCFG Advisors, clearing firms, and any relevant third-party vendors. Moreover, the plan provides that the Firm's independent consultant will separately review, for two years after the SEC issues an LOA, all investment adviser disclosures that reference the Firm and any fees, commissions, or payments made to the Firm by TCFG Advisors.

VII. Conclusion

At this time, we are satisfied, based on the Firm's representations, Member Supervision's representations, the heightened supervisory plan, and the record currently before us, that the Firm's continued membership in FINRA is consistent with the public interest and does not create an unreasonable risk of harm to the market or investors. Accordingly, we approve the Firm's Application to continue its membership in

FINRA as set forth herein.[10] In conformity with the provisions of Exchange Act Rule 19h-1, the approval of the continued membership of the Firm will become effective within 30 days of the receipt of this notice by the SEC, unless otherwise notified by the SEC.

On Behalf of the National Adjudicatory Council,

Jennifer Mitchell Piorko
Vice President and Deputy Corporate Secretary

[10] FINRA certifies that the Firm meets all qualification requirements and represents that it is registered with the Municipal Securities Rulemaking Board.