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DEPARTMENT OF BANKING AND SECURITIES

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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND
SECURITIES, BUREAU OF SECURITIES
COMPLIANCE AND EXAMINATIONS

Docket No. : 25 0005 (SEC-OSC)

v.

RICHARDS FINANCIAL LLC¹
JOHN K. RICHARDS

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Bureau of Securities Compliance and Examinations ("Bureau"), has conducted an investigation of the business practices of Richards Financial, LLC ("RFL") and its officers and employees. Based on the results of its investigation, the Bureau has concluded that RFL has operated in violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101 *et seq.* ("1972 Act"). RFL, in lieu of litigation, and without admitting or denying the allegations herein, and intending to be legally bound, hereby agrees to the terms of this Consent Agreement and Order ("Order").

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the 1972 Act.
2. The Bureau is primarily responsible for administering and enforcing the 1972 Act for the Department.

¹ This Consent Agreement Order is only applicable to Richards Financial, LLC.

3. Respondent Richards Financial, LLC ("Respondent RFL"), CRD # 160351, was, at all material times herein, a Pennsylvania limited liability company with an address at Redacted Redacted

4. From in or about June 2012 until the present, Respondent RFL was registered pursuant to Section 301(c) of the 1972 Act, 70 P.S. § 1-301(c), as an investment adviser.

5. Regulation 303.012(i) provides that "[a]n investment adviser registered under the [1972 Act] shall take steps necessary to ensure that material information contained in its Form ADV and exhibits remains current and accurate. If a material statement made in Form ADV and exhibits becomes incorrect or inaccurate the investment adviser shall file with the Department an amendment on Form ADV within 30 days of the occurrence of the event which requires the filing of the amendment." 10 Pa. Code § 303.012(i).

6. At all times material herein, RFL did not take steps necessary to ensure that material information contained in its Form ADV and exhibits remains current and accurate.

VIOLATION

7. By engaging in the acts and conduct set forth in paragraphs 3 through 6 above, Respondent RFL failed to take steps necessary to ensure that material information contained in its Form ADV and exhibits remains current and accurate to achieve compliance with the 1972 Act and other securities laws and regulations, which acts and conduct form a basis to deny, suspend, revoke, or condition the registration of Respondent RFL or to censure Respondent RFL pursuant to Section 305(a)(v) of the 1972 Act, 70 P.S. § 1-305(a)(v), and Regulation 303.012(i), 10 Pa. Code § 303.012(i), promulgated thereunder.

RELIEF

8. RFL shall pay the Department an administrative assessment in the amount of \$2,000.00. Payment shall be made by certified check or money order made payable to the "Department of Banking and Securities" and shall be mailed or delivered in person to the Bureau of Securities Compliance and Examinations located at 17 N. Second Street, Suite 1300, Harrisburg, Pennsylvania 17101. The assessment shall be paid as follows:

- a. \$250.00 on or before April 15, 2025;
- b. \$250.00 on or before June 15, 2025;
- c. \$250.00 on or before September 15, 2025;
- d. \$250.00 on or before January 15, 2026;
- e. \$250.00 on or before April 15, 2026;
- f. \$250.00 on or before June 15, 2026;
- g. \$250.00 on or before September 15, 2026; and
- h. \$250.00 on or before January 15, 2027.

9. RFL is ORDERED to comply with the 1972 Act, and Regulations adopted by the Department, and in particular Section 305(a)(v) of the 1972 Act, 70 P.S. § 1-305(a)(v). Should RFL fail to pay the assessment as set forth in paragraph 8 above, the sanctions set forth elsewhere in the Order shall continue in full force and effect until full payment is made. However, this provision shall not be construed as affording RFL the option of either paying the assessment or being indefinitely subject to the sanctions.

10. Should RFL fail to comply with any and/or all provisions of this Order, the Department may impose additional sanctions and costs and seek other appropriate relief subject to RFL's right to a hearing pursuant to the 1972 Act.

FURTHER PROVISIONS

11. Consent. RFL hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's authority under the 1972 Act and agrees that it understands all of the terms and conditions contained herein. RFL, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions, and/or penalties set forth in this Order.

12. Entire Agreement. This Order contains the entire agreement between the Department and RFL. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Department and RFL.

13. Binding Nature. The Department, RFL, and all officers, owners, directors, employees, heirs and assigns of RFL intend to be and are legally bound by the terms of this Order.

14. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

15. Effectiveness. RFL hereby stipulates and agrees that the Order shall become effective on the date the Bureau executes the Order ("Effective Date").

16. Other Enforcement Action.

(a) The Department reserves all of its rights, duties, and authority to enforce all statutes, rules, and regulations under its jurisdiction against RFL in the future regarding all matters not resolved by this Order.

(b) RFL acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department, or office regarding matters within this Order.

17. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

18. Counterparts. This Order may be executed in separate counterparts, by facsimile and/or by PDF.

19. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

20. Finding. The Department finds that it is necessary and appropriate in the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue this Order.

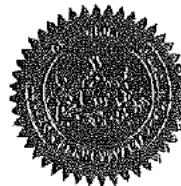
WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities Compliance and Examinations and Richards Financial, LLC, intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES
BUREAU OF SECURITIES COMPLIANCE AND EXAMINATIONS**

Redacted

Eric Pistilli, Deputy Secretary for Securities

Date: 03/10/2025



FOR RICHARDS FINANCIAL, LLC

Redacted

John K. Richards, Owner and Chief Compliance Officer

Date: March 7, 2025