

STATE OF NEVADA
OFFICE OF THE SECRETARY OF STATE
SECURITIES DIVISION

2250 LAS VEGAS BOULEVARD NORTH, SUITE 400
NORTH LAS VEGAS, NEVADA 89030

In the Matter of:

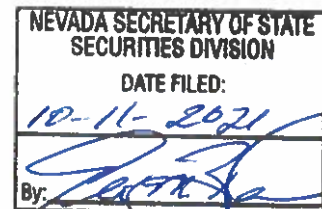
CUBED SYSTEMS, CRD #17496; and
ROBERT PATRICK BAFFA, JR., CRD
#2367531

ADMINISTRATIVE CONSENT ORDER

Respondents.

File No. CIC21-001

TO: Cubed Systems
c/o Robert Patrick Baffa, Jr.
2620 Mason Avenue
Las Vegas, NV 89102



WHEREAS, CUBED SYSTEMS, CRD No. 17496, (Respondent CS), is a Nevada-based investment advisory firm located at 2620 Mason Avenue, Las Vegas, NV 89102;

WHEREAS, ROBERT PATRICK BAFFA, JR., (Respondent Baffa), CRD No. 2367531, is the owner and sole investment advisor representative of Respondent CS;

WHEREAS, on January 20, 2021, the Nevada Securities Division (Division), pursuant to the Administrator's authority under NRS § 90.620, commenced an examination of Respondent CS;

WHEREAS, the Division previously inspected Respondent CS in 2016, which resulted in an Administrative Consent Order (ACO) being issued and executed on March 14, 2018. Respondent CS did not disclose this ACO two years ago in its ADV Parts I and II;

WHEREAS, Respondent CS did not properly disclose certain relationships and fees on its Form ADV;

WHEREAS, Respondent CS filed its annual updating amendment of its ADV (Parts I and IIA) for 2019 on October 29, 2020, which was a late filing. This filing was required to be made within 90 days after the end of the fiscal year, namely, March 31, 2020, as prescribed in NAC §

1 90.380(3). Respondent CS filed two ADV Part IIs on October 19, 2020, which included one for i
2 wrap program. Respondent CS' ADV Part IIB has not been updated since March 27, 2018;

3 **WHEREAS**, Respondent CS neither provided a General Ledger and Balance Sheet, nor did
4 they provide a Profit and Loss Statement that was GAAP-compliant as required by SEC Rule 204-
5 2(a)(2) and SEC Rule 204-2(a)(6), respectively, as adopted by reference under NAC § 90.3864(3).
6 This deficiency was noted in the Division's closing letter after Respondent CS's previous exam;

7 **WHEREAS**, it is a violation of NAC § 90.380(3) to fail to file an updated a Form ADV with
8 the Administrator within 90 days after the end of the fiscal year;

9 **WHEREAS**, Respondents violated NAC § 90.380(3) by failing to file its annual updating
10 amendments to the Form ADV in a timely manner for the year 2019;

11 **WHEREAS**, it is a violation of NAC § 90.387 to fail to maintain certain required financial
12 records;

13 **WHEREAS**, Respondents violated NAC § 90.387 by not providing the Division with a
14 General Ledger, Balance Sheet, or a GAAP-compliant Profit and Loss Statement as required by SEC
15 Rule 204-2(a)(2) and SEC Rule 204-2(a)(6), respectively, as adopted by reference under NAC §
16 90.3864(3);

17 **WHEREAS**, Respondents have advised the Division of their desire to resolve the above
18 failure to comply with the requirements of Nevada's Uniform Securities Act, on the terms specified
19 within this Administrative Consent Order;

20 **WHEREAS**, Respondents elect to permanently and expressly waive any right to a hearing
21 and appeal under the Act and/or to seek judicial review under the Nevada Administrative Procedure
22 Act, NRS Chapter 233B, with respect to this Order.

23 **NOW THEREFORE**, the Administrator, pursuant to the Act, hereby enters the following:

24 **ORDER**

25 Finding the following appropriate and in the public's interest, and on the basis of the
26 foregoing, and Respondents' consent to the entry of this Order,

1 **IT IS HEREBY ORDERED:**

- 2 1. Respondents will cease from violating the Act and will comply with said Act.
- 3 2. Respondents will pay the Nevada Secretary of State a civil penalty in the cumulative amount
- 4 of \$7,500, due upon signing of the Respondents' consent to entry of this Administrative
- 5 Order.
- 6 3. Respondents shall submit a check made payable to the Secretary of State in the amount of
- 7 \$1,000 in examination costs.
- 8 4. All amounts submitted under this section shall be remitted to:

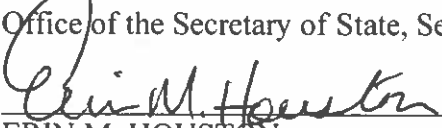
9 **Nevada Secretary of State**
10 **c/o Melissa Mauer**
11 **2250 Las Vegas Boulevard North, Suite 400**
North Las Vegas, NV 89030

- 12 5. In consideration, the Division will take no further enforcement action based upon the
- 13 circumstances covered by this investigation and Order and close its administrative
- 14 investigation of the Respondents in connection with the aforementioned activities.
- 15 6. Nothing in this Order shall be construed as a waiver of the Division's right to investigate
- 16 and pursue any violations by Respondents in connection with other activity not set forth
- 17 herein.
- 18 7. Nothing in this Order is intended to limit or create for third parties any private remedies
- 19 against Respondents.
- 20 8. This Order shall be effective as of the date on which it is signed by the Administrator.

21 **IT IS SO ORDERED.**

22 DATED this 11th day of October, 2021.

23 **BY ORDER OF THE ADMINISTRATOR**
24 Office of the Secretary of State, Securities Division

25 
26 ERIN M. HOUSTON,
27 Deputy Secretary for Securities
28 Securities Administrator

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Respondents specifically acknowledge that a violation of this Order may constitute a felony pursuant to NRS 90.650.

Respondents state that no promise of any kind or nature, other than the consideration set forth in the Order, was made to them to induce them to enter into this Order and that they have entered into this Order voluntarily.

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Cubed Systems
Robert Patrick Baffa, Jr.
(As an individual and as representative of Cubed
Systems)



Credit Union Declaration of Loss (Claim to Lost, Stolen, or Destroyed Cashier's Check)

To submit a Declaration of Loss for a Navy Federal Credit Union-issued/signed check, please complete and sign the form below. You can send a scanned copy via secure message on Navy Federal Online Banking, or mail it to Navy Federal Credit Union, P.O. Box 3000, Merrifield, VA 22119-3000, Attn: Funds Disbursement @ Funds Services Branch.

| | | | | |
|--|--------------------------------------|--|------|-----------------------|
| Remitter Name: First CUBED SYSTEMS | | MI | Last | Suffix |
| Account No. 7045289662 | Date of Check (MM/DD/YY) 09/21/21 | Check Serial No. (Required) 452748283 | | Amount \$ 7,500.00 |
| Payee's Name: First NEVADA SECRETARY OF STATE | | MI | Last | Suffix |

Under the penalty of perjury, I, ROBERT P BAFFA JR, CUBED SYSTEMS, ☒ remitter / ☐ payee, state that:

- I have lost possession of this check;
- the loss of possession of the above-referenced check was not the result of a transfer by me or a lawful seizure of the check; and
- I cannot reasonably obtain possession of the check because (check one):
 - ☐ the check was destroyed.
 - ☒ the check is lost.
 - ☐ the check was stolen by a person unknown who cannot be found or who will not accept service of process.

Deposit Instructions

Please indicate how you would prefer the funds be made available:

- ☒ Deposit to NFCU account 7045289662
- ☐ Send new cashier's check to the following:

☐ Other:

Indemnity Agreement Regarding a Lost, Stolen, or Destroyed Check

I understand that if this claim is honored, the funds will be deposited into the account from which the check was originally purchased to process a replacement check. If the account is closed, the account may be reopened to fulfill this request and then will be reclosed.

I further understand that if this claim is paid and the check is presented for payment within 90 days of the check issuance date, Navy Federal Credit Union is obliged to honor the check and I am obliged to refund the payment to Navy Federal.

If the check is presented for payment by a holder in due course after 90 days from the check issuance date, I am obliged to either refund the payment to Navy Federal if the check is honored or pay the amount of the check to the person having rights of a holder in due course if the check is dishonored.

In any of these circumstances, I agree to reimburse Navy Federal for all expenses or costs it incurs as a result of not honoring the check or as a result of my lack of prompt reimbursement of the payment to Navy Federal if the check is honored.

| | | |
|---------------|----------------------------|---------------------------------------|
| Signature | Date (MM/DD/YY) 10/6/21 | Daytime Telephone No. 702-545-7291 |
|---------------|----------------------------|---------------------------------------|



