

**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:**

**CONTE ASSET MANAGEMENT, LLC,  
CRD #306878; STEPHEN FRED CONTE,  
CRD #5733944**

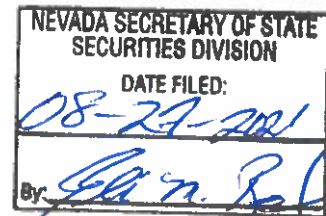
**Respondents.**

**ADMINISTRATIVE CONSENT ORDER**

**File No. CIC21-094**

**TO:**

**Conte Asset Management, LLC  
c/o Stephen Fred Conte  
930 Tahoe Blvd., #802-442  
Incline Village, NV 89451**



**WHEREAS,** CONTE ASSET MANAGEMENT, LLC, CRD No. 306878 (Respondent CAM), is a Nevada-based investment advisory firm located at 930 Tahoe Blvd., #802-442, Incline Village, NV 89451.

**WHEREAS,** STEPHEN FRED CONTE, CRD No. 5733944, (Respondent Conte), is the Managing Member and Chief Compliance Officer of Conte Asset Management, LLC;

**WHEREAS,** Respondent CAM receives fees as a solicitor, but do not provide direct investment advice;

**WHEREAS,** on April 29, 2021, the Nevada Securities Division (Division), pursuant to the Administrator's authority under NRS § 90.620, conducted an examination of Respondents to determine the Respondents' compliance with the Nevada Uniform Securities Act, the Investment Advisers Act of 1940, and the various rules and regulations promulgated thereunder;

**WHEREAS,** Respondents have not maintained an updated and accurate Form ADV;

1       **WHEREAS**, it is a violation of NAC 90.380(3) to fail to file annual updating amendments to  
2 the Form ADV;

3       **WHEREAS**, Respondents failed to deliver to clients the ADV Part II (brochure), maintain a  
4 record of this disclosure, and failed to receive acknowledgment of delivery of the brochure;

5       **WHEREAS**, Respondents CAM has no records of client files, client agreements, or any  
6 detailed records of the fees it has been receiving;

7       **WHEREAS**, it is a violation of NAC 90.387 to fail to maintain certain required financial  
8 records, and a violation of SEC Rule 17 CFR.204-2(a)(10) to fail to maintain all written agreements,  
9 or copies thereof, entered into by the investment adviser with any client or otherwise relating to the  
10 business of such investment adviser. SEC Rule 17 CFR 275.204-3 requires investment advisers to  
11 deliver to their clients a current brochure prior to entering into a contract with said clients.

12       **WHEREAS**, Respondent Conte acted as an outsourced CFO and received payment from a  
13 Schwab account, while at the same time failing to disclose this as an outside business activity on the  
14 Form U4;

15       **WHEREAS**, it is a violation of FINRA Rule 3030 to accept compensation as a result of any  
16 business activity other than a passive investment outside the scope of his relationship with the  
17 employer firm unless he has provided prompt written notice;

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

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

24       **NOW THEREFORE**, the Administrator, pursuant to the Act, hereby enters the following:  
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2 **ORDER**

3 Finding the following appropriate and in the public's interest, and on the basis of the  
4 foregoing, and without either admitting or denying the allegations, Respondent consents to the entry  
5 of this Order,

6 **IT IS HEREBY ORDERED:**

- 7 1. Respondents will cease from violating the Act and will comply with said Act.
- 8 2. Respondent CAM will immediately deliver its Form ADV Part II to all clients, and provide  
9 evidence of said delivery to the Division. Any client who has not returned the brochure  
10 within 30 days will be contacted by Respondent Conte to expedite delivery. If, after a period  
11 of 45 days the client still has not acknowledged receipt of the brochure, Respondent CAM  
12 will cease accepting solicitor fees until such time the client returns the brochure  
13 acknowledgment.
- 14 3. Respondent CAM will maintain individual client files wherein it maintains any and all  
15 information related to each client.
- 16 4. Respondents will update the Form ADV, amending, at a minimum, the following:
- 17 a. Part 10d will acknowledge the use of a third party advisor;
- 18 b. Part 4b will acknowledge the existence of the solicitor business;
- 19 c. Form ADV Part II annual updating amendments will be filed;
- 20 d. Any and all services provided by Respondent Conte which are not part of the  
21 advisory business will be listed, to include but not limited to his role as Chief  
22 Financial Officer for a company not affiliated with Respondent CAM.
- 23 5. Upon notice of entry of this Order, Respondents will make a payment to the Nevada  
24 Secretary of State a civil penalty in the cumulative amount of \$2,500.00, due upon signing  
25 of the Respondents' signing of the Consent to Entry of this Administrative Order.
- 26 6. Upon notice of entry of this Order, Respondent CAM shall submit a check made payable to  
27 the Secretary of State in the amount of \$1,000.00 in examination costs.  
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1 7. All amounts submitted under this section shall be remitted to:

2 Nevada Secretary of State  
3 c/o Stacey Roter  
4 2250 Las Vegas Boulevard North, Suite 400  
5 North Las Vegas, NV 89030

6 8. In consideration, the Division will take no further enforcement action against Respondents  
7 based upon the circumstances covered by this examination and Order and close its  
8 examination of the Respondents in connection with the aforementioned activities.

9 9. Nothing in this Order shall be construed as a waiver of the Division's right to investigate  
10 and pursue any violations by Respondents in connection with other activity not set forth  
11 herein.

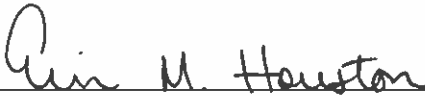
12 10. Nothing in this Order is intended to limit or create for third parties any private remedies  
13 against Respondents.

14 11. This Order shall be effective as of the date on which it is signed by the Administrator as set  
15 forth below.

16 IT IS SO ORDERED.

17 DATED this 21<sup>st</sup> day of August, 2021.

18 **BY ORDER OF THE ADMINISTRATOR**  
19 Office of the Secretary of State, Securities Division

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21   
22 ERIN M. HOUSTON  
23 Deputy Secretary for Securities  
24 Securities Administrator  
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3 **CONSENT TO ENTRY OF ADMINISTRATIVE ORDER**

4 Respondents Conte Asset Management, LLC and Stephen Conte hereby acknowledge  
5 service of a copy of this Order, have read the foregoing Order, are aware of their rights to a hearing  
6 and appeal in this matter, and have waived the same.

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

9 Respondents admit the jurisdiction of the Securities Division of the Nevada Office of the  
10 Secretary of State and consent to entry of this Order by the Administrator of the Division as  
11 settlement of the issues contained within this Order.  
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13 Respondents state that no promise of any kind or nature, other than the consideration set  
14 forth in the Order, were made to them to induce them to enter into this Order, and that they have  
15 entered into this Order voluntarily.

16 Dated this 24<sup>th</sup> day of August, 2021.

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20 Stephen Fred Conte, Managing Member/CCO  
21 Conte Asset Management, LLC  
(Both Individually and as a representative of Conte  
22 Asset Management, LLC)  
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