

STATE NEVADA
OFFICE OF THE SECRETARY OF STATE
SECURITIES DIVISION
2250 LAS VEGAS BOULEVARD NORTH, SUITE 400
NORTH LAS VEGAS, NEVADA 89030

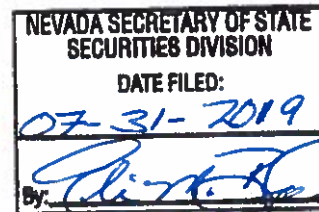
In the Matter of:

NORMAN R. FLEMENS, CRD No.)
3212865, an individual; and CAPITAL
STRATEGIES INTERNATIONAL, LLC,) a Nevada limited liability company;

Respondents.

ADMINISTRATIVE CONSENT ORDER

File No. 115-125



TO: Christopher Myers, Esq.
Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, NV 89135
Counsel for Norman Flemens and Capital Strategies International LLC

Norman R. Flemens
3012 Crib Point Drive
Las Vegas, NV 89135

Capital Strategies International, LLC
c/o CSC Services of Nevada, Inc., its Registered Agent
2215-B Renaissance Drive
Las Vegas, NV 89119

WHEREAS, Respondent Norman R. Flemens, CRD No. 3212865 ("Flemens.") is an individual living in Las Vegas, Nevada;

WHEREAS, Respondent Capital Strategies International, LLC ("CSI") is a Nevada Limited Liability Company organized on or about July 1, 2013;

WHEREAS, a Complaint for Summary Order and Final Order to Cease and Desist and Other Appropriate Relief was filed against and served upon CSI and Flemens ("Respondents") on May 1, 2018;

WHEREAS, a Notice and Summary Order to Cease and Desist was filed against and served upon Respondents on May 1, 2018;

WHEREAS, Respondents requested a hearing within forty-five (45) days of receiving the Notice and Summary Order to Cease and Desist;

WHEREAS, Respondents have advised the Nevada Securities Division (“Division”) of their agreement to resolve the above-referenced alleged violations, without admitting or denying the Relevant Facts and Conclusions of Law contained herein, and to comply with the requirements in the State of Nevada on the terms specified in this Administrative Consent Order (“Order”); and

WHEREAS, Respondents now elect to permanently and expressly waive any right to a hearing and appeal under the Nevada Uniform Securities Act (“Act”) and/or to seek judicial review under the Nevada Administrative Procedures Act, codified in NRS Chapter 233B, with respect to this Order.

NOW THEREFORE, the Administrator of the Division, pursuant to the Act, hereby enters this Order:

I.

RELEVANT FACTS

1. Flemens, CRD # 3212865, was previously licensed by the Division on September 2, 2005, as a representative of investment adviser First Command Financial Planning, Inc. ("First Command"), and was simultaneously licensed as a broker-dealer sales representative for First Command on April 23, 2004. Flemens was terminated from both positions with First Command on April 27, 2006.

2. On or about August 13, 2007 Flemens was suspended from association with any FINRA member for 18 months from September 4, 2007 through March 3, 2009, and pursuant to an Acceptance, Waiver and Consent with FINRA agreed that he would pay a \$ 5,000.00 fine upon reassociation with a FINRA member firm.

3. On or about July 1, 2013 Flemens caused CSI to be organized as a limited liability company in Nevada. At all relevant times, Flemens has been a manager for CSI, which is located at 1930 Village Center Circle, Suite 3837, Las Vegas, Nevada, pursuant to records filed with the Nevada Secretary of State.

1 4. CSI has never been licensed as an investment adviser in the State of Nevada or
2 elsewhere. Flemens is not currently and has never been licensed as a representative of an
3 investment adviser for CSI.

4 5. Flemens believes that Ian Tomlinson, CRD No. 2492696 ("Tomlinson") has been
5 licensed as a representative of investment adviser First Choice Financial Planning, LLC, CRD No.
6 166363 ("FCFP") since January 10, 2013. Flemens believes that FCFP has been approved by the
7 Division as a licensed investment adviser since January 1, 2013.

8 6. Tomlinson and Flemens previously worked together at First Command and
9 Flemens believes that Tomlinson was aware that Flemens was terminated as a representative of
10 and investment adviser and as a sales representative by First Command.

11 7. The Division's routine inspection of FCFP revealed that Flemens was associated
12 with FCFP and was acting in the capacity of a representative of an investment adviser for clients
13 of FCFP and CSI by providing specific investment advice to clients of both entities and, in certain
14 instances, received compensation for the same.

15 8. On or about June 6, 2013, Flemens was provided with full access to FCFP client
16 data under his own password, although he was not licensed with the Division and his association
17 was not disclosed by FCFP in the FCFP ADV.

18 9. On or about October 3, 2015, Flemens stopped accessing client files under his own
19 password, and began accessing client files through the use of Tomlinson's password.

20 10. During the time period of at least January 10, 2013 until the service of the
21 Division's Cease and Desist Order, Flemens was advising clients on securities and requesting
22 trades of those securities through the FCFP account.

23 11. At all times relevant Flemens or CSI was paid for investment advice regarding
24 securities given to clients of FCFP or certain of CSI's clients, respectively.

25 12. Flemens has been informed that Tomlinson provided Tomlinson's signature stamp
26 to an administrative assistant to use for FCFP business. The assistant provided assistance to both
27 Tomlinson and Flemens. Flemens has never been in possession of Tomlinson's signature stamp.

13. Flemens has been informed that Tomlinson and FCFP have never disclosed to their clients that Flemens is not licensed and was previously suspended by FINRA.

14. On or about May 1, 2018, the Division filed and served a Complaint for Summary Order and Final Order to Cease and Desist and Other Appropriate Relief, which was properly served on Respondents.

15. On or about May 1, 2018, the Division filed and served a Notice and Summary Order to Cease and Desist, which was properly served on Respondents.

16. Respondents requested a hearing within forty-five (45) days of receiving the Notice and Summary Order to Cease and Desist

17. Flemens, through counsel, stipulated to enlarge the time for hearing.

18. Respondents, by signing this agreement, permanently and expressly waive any right to a hearing and appeal under the Act and/or to seek judicial review under the Nevada Administrative Procedures Act, codified in NRS Chapter 233B, with respect to this Order.

II.

CONCLUSIONS OF LAW

1. The Division has jurisdiction over this matter pursuant to the Act, which authorizes the Division to regulate any entity or person acting as an investment adviser or investment adviser representative. Specifically, NRS 90.630 allows the Division, through its Administrator, to take action against an investment adviser or investment adviser representative if either violates any provision of the Act or any regulation adopted under said Act.

2. Pursuant to NRS 90.630(2), if the Administrator of the Division reasonably believes that a person has violated the Chapter, the Administrator may “(a) Issue an order against the person to cease and desist; (b) Censure the person if he or she is a licensed broker-dealer, sales representative, investment adviser or representative of an investment adviser; (c) Bar or suspend the person from association with a licensed broker-dealer or investment adviser in this State; (d) Issue an order against an applicant, licensed person or other person who willfully violates this chapter, imposing a civil penalty of not more than \$25,000 for each violation or, if the violation was committed against an older person or vulnerable person, a civil penalty equal to twice the

1 amount of the civil penalty that would otherwise have been imposed pursuant to this paragraph,
2 not to exceed \$50,000 for each violation;”

3 3. In violation of NAC 90.327(d)(2) and NAC 90.3868, Respondents failed to comply
4 with NASAA Model Rule 102(a)(4)-1(h) by “misrepresenting to any advisory client, or
5 prospective advisory client, the qualifications of the investment adviser or any employee of the
6 investment adviser, or misrepresenting the nature of the advisory services being offered or fees to
7 be charged for such service, or to omit to state a material fact necessary to make the statements
8 made regarding qualifications, services or fees, in light of the circumstances under which they are
9 made, not misleading” by failing to disclose to its clients that Flemens has no license to act as a
10 representative as an investment adviser and by failing to disclose that Flemens was previously
11 suspended from association with any FINRA (formerly NASD) member in any capacity for a
12 period of eighteen (18) months.

13 4. From at least January 2013 until May 2018, Respondents failed to comply with the
14 requirements set forth in NRS 90.330, which sets forth that it is unlawful for any person to transact
15 business in this State as an investment adviser or as a representative of an investment adviser unless
16 licensed or exempt from licensing by statute. Specifically, Respondents were receiving
17 compensation for transacting business as an investment adviser and as a representative of an
18 investment adviser without licensing by the Division and without any applicable exemptions.
19 Therefore, Respondents violated the Act and are subject to a complete bar from further securities
20 related activities in the State pursuant to NRS 90.630(2).

21 5. The Division has jurisdiction over this matter pursuant to the Act which authorizes
22 the Division to regulate the business activities of investment advisers and investment adviser
23 representatives acting in the State of Nevada.

24 III.

25 ORDER

26 Finding the following appropriate and in the public interest, and on the basis of the
27 Relevant Facts and Conclusions of Law, and Respondents’ consent to the entry of this Order
28 without admitting or denying the Relevant Facts and Conclusions of Law,

1 **IT IS HEREBY ORDERED:**

2 1. Flemens and CSI are hereby permanently barred from offering, soliciting, or selling
3 any securities or investment advisory services for the account of others and shall not make any
4 application in the future to be licensed as an investment adviser, a representative of an investment
5 adviser, sales representative of a broker-dealer or sales representative of an issuer.

6 2. Flemens shall voluntarily appear at the administrative hearing on Case No. CI15-
7 063 and any future civil or administrative proceedings brought by the Division involving First
8 Choice Financial Planning, LLC, and/or Tomlinson.

9 3. In consideration of Respondents' consent to entry of this Order, the Division will
10 not pursue any further administrative proceedings against Respondents based on the allegations
11 contained in the Complaints filed in Case No. CI15-063.

12 4. The Division agrees not to bring criminal charges based on the Relevant Facts
13 contained herein.

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

16 DATED this 31st day of July, 2019.

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

19 Erin M. Houston
20 ERIN M. HOUSTON
21 Deputy Secretary for Securities
22 Securities Administrator
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Flemens specifically acknowledges that a violation of this Order may constitute a felony pursuant to NRS 90.650.

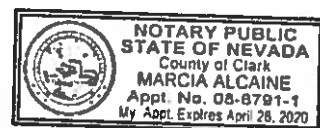
Flemens admits the jurisdiction of the Securities Division of the Nevada Office of the Secretary of State, does not admit or deny the Relevant Facts and Conclusions of Law set forth in this Order, and consents to entry of this Order by the Administrator of the Division as settlement of the issues contained within this Order.

Flemens states that no promise of any kind or nature, other than the consideration set forth in the Order, was made to him to induce him to enter into this Order and that he has entered into this Order voluntarily.

NORMAN FLEMENS

Subscribed and sworn to before me
On this 17th day of JULY, 2019

Marcia A. Greene
Notary Public, in and for the
County of Clark, State of NV



1 **CONSENT TO ENTRY OF ADMINISTRATIVE ORDER**

2 Respondent Capital Strategies International (CSI), by through its authorized representative,
3 hereby acknowledges that it has been served with a copy of this Order, has read the foregoing
4 Order, is aware of its rights to a hearing and appeal in this matter, and has waived the same.


5 CSI, by and through its Authorized Representative, specifically acknowledges that a
6 violation of this Order may constitute a felony pursuant to NRS 90.650.

7 CSI, by and through its Authorized Representative, admits the jurisdiction of the Securities
8 Division of the Nevada Office of the Secretary of State, does not admit or deny the Relevant Facts
9 and Conclusions of Law set forth in this Order, and consents to entry of this Order by the
10 Administrator of the Division as settlement of the issues contained within this Order.


11 CSI, by and through its Authorized Representative, states that no promise of any kind or
12 nature, other than the consideration set forth in the Order, was made to it to induce it to enter into
13 this Order and that it has entered into this Order voluntarily.

14 Flemens acknowledges that he is the authorized representative and CSI and that as such,
15 has been authorized by both to enter into this Order for and on behalf of Flemens and CSI.

16 CAPITAL STRATEGIES INTERNATIONAL

17 
18 NORMAN FLEMENS
19 Authorized Representative for CSI

20 Subscribed and sworn to before me
21 On this 17th day of July, 2019

22 
23 Notary Public, in and for the
24 County of Clark, State of NV

