



STATE OF MISSOURI  
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:	)	
	)	
CROSSROADS ASSET MANAGEMENT LLC,	)	
CRD # 145951 and	)	
DOUGLAS STEHL, CRD # 1345563	)	
	)	
<i>Respondents.</i>	)	Case No. AP-15-29
	)	
Serve: Crossroads Asset Management LLC	)	
c/o Jane L. Stafford	)	
Stafford Law Firm LLC	)	
4200 Somerset Drive, Suite 237	)	
Prairie Village, KS 66208	)	
	)	
Serve: Douglas Stehl	)	
c/o Jane L. Stafford	)	
Stafford Law Firm LLC	)	
4200 Somerset Drive, Suite 237	)	
Prairie Village, KS 66208	)	

**CONSENT ORDER**

**SUMMARY OF THE SECURITIES DIVISION’S ALLEGATIONS**

1. The Missouri Securities Division of the Office of Secretary of State (“Division”) has alleged that Douglas Stehl (“Stehl”) transacted business as an investment adviser representative in the state of Missouri without being registered or exempt from registration for 24 months in violation of Section 409.4-404(a), RSMo (Cum. Supp. 2014)<sup>1</sup>; Crossroads Asset Management LLC (“Crossroads”) transacted business as an investment adviser in the state of Missouri without being registered or exempt from registration in violation of Section 409.4-403(a), and that, during this same period, Crossroads employed or associated with Stehl while Stehl transacted business in Missouri

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<sup>1</sup> Unless otherwise noted, all statutory references are to the 2014 cumulative supplement to the Revised Statutes of Missouri.

as an unregistered investment adviser in violation of Section 409.4-403(d), and that this constitutes grounds to issue an order pursuant to Section 409.6-604.

2. Respondents and the Division desire to settle the allegations and the matters raised by the Division relating to the Respondents' alleged violations of Sections 409.4-403 and 409.4-404.

#### CONSENT TO JURISDICTION

3. Respondents and the Division stipulate and agree that the Missouri Commissioner of Securities ("Commissioner") has jurisdiction over Respondents and these matters pursuant to the Missouri Securities Act of 2003, Chapter 409, *et seq.*
4. Respondents and Division stipulate and agree that the Commissioner has authority to enter this Order pursuant to Section 409.6-604(h), which provides:

"The commissioner is authorized to issue administrative consent orders in the settlement of any proceeding in the public interest under this act."

#### WAIVER AND EXCEPTION

5. Respondents waive Respondents' rights to a hearing with respect to this matter.
6. Respondents waive any rights that Respondents may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order. Respondents specifically forever release and hold harmless the Missouri Office of Secretary of State, Secretary of State, Commissioner, and their respective representatives and agents from any and all liability and claims arising out of, pertaining to, or relating to this matter.
7. Respondents stipulate and agree with the Division that, should the facts contained herein prove to be false or incomplete, the Enforcement Section reserves the right to pursue any and all legal or administrative remedies at its disposal.

#### CONSENT TO COMMISSIONER'S ORDER

8. Respondents and the Division stipulate and agree to the issuance of this Consent Order without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein.
9. Respondents agree not to take any action or to make or permit to be made any public statement creating the impression that this Order is without factual basis. Nothing in this paragraph affects Respondents' (a) testimonial obligations; (b) right to take legal or factual positions in defense of litigation or in defense of other legal proceedings in which the Commissioner is not a party; or (c) right to make public statements that are factual.

10. Respondents agree that Respondents are not the prevailing parties in this action since the parties have reached a good faith settlement.
11. Respondents neither admit nor deny the allegations made by the Division, but consent to the Commissioner's Findings of Fact, Conclusions of Law, and Order as set forth below solely for the purposes of resolving this proceeding and any proceeding that may be brought to enforce the terms of this Consent Order.

COMMISSIONER'S FINDINGS OF FACT,  
CONCLUSIONS OF LAW, AND ORDER

I. FINDINGS OF FACT

12. Respondent Crossroads is a Kansas-registered investment adviser with a home office address of 9230 Lee Blvd., Leawood, KS 66206. Crossroads is registered with the Central Registration Depository System ("CRD") with number 145951.
13. Respondent Stehl is the managing member and investment adviser representative of Crossroads and is registered with CRD number 1345563. Stehl's mailing address is 9230 Lee Blvd., Leawood, KS 66206.
14. In March 2015, Crossroads sent to the Division an application to register as an investment adviser in Missouri, along with accompanying fees and documentation. Crossroads's application was approved effective July 8, 2015.
15. In March 2015, Stehl sent to the Division Stehl's application to register as an investment adviser representative in Missouri, along with accompanying fees and documentation. Stehl's application was approved effective July 9, 2015.
16. In the Examination Section's registration examination, it was discovered that Stehl had been transacting business in Missouri as an unregistered investment adviser representative for more than five clients on behalf of Crossroads since July 2013.
17. In the Examination Section's registration examination, it was discovered that Crossroads had been transacting business in Missouri as an unregistered investment adviser for more than five clients since July 2013.

II. CONCLUSIONS OF LAW

18. The Commissioner finds that Respondent Stehl transacted business as an unregistered investment adviser representative in this state from July 2013 through July 2015, in violation of Section 409.4-404(a), and that this violation constitutes grounds to issue an order pursuant to Section 409.6-604.

19. The Commissioner finds that Respondent Crossroads transacted business as an unregistered investment adviser in this state from July 2013 through July 2015, in violation of Section 409.4-403(a), and that this violation constitutes grounds to issue an order pursuant to Section 409.6-604.
20. The Commissioner also finds that Respondent Crossroads associated with or employed an unregistered investment adviser representative who transacted business in this state on behalf of Crossroads during the same period noted above in violation of Section 409.4-403(d), and that this violation constitutes grounds to issue an order pursuant to Section 409.6-604.
21. The Commissioner, after consideration of the stipulations set forth above and on consent of the Respondents and the Division, finds and concludes that the Commissioner has jurisdiction over Respondents in this matter and that the following order is in the public interest, necessary for the protection of public investors, and consistent with the purposes intended by Chapter 409, RSMo.

### III. ORDER

**NOW, THEREFORE,** it is hereby Ordered that:

1. Respondents, their agents, employees and servants, and all other persons participating in the above-described violations with knowledge of this order are permanently enjoined and restrained from violating Section 409.4-404(a), Section 409.4-403(a) Section 409.4-403(d).
2. Respondents Crossroads and Stahl are ordered to pay, jointly and severally, \$24,000 to the Investor Education and Protection Fund. Within ten days of the date of this Consent Order, Respondents shall send \$15,000 of this above amount to the Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101. This payment shall be made payable to the Missouri Secretary of State's Investor Education and Protection Fund. The Division will send the money to the Missouri Secretary of State's Investor Education and Protection Fund.
3. Respondents' payment of the remaining \$9,000 is hereby suspended but shall become due immediately upon the sooner of (1) Respondents' noncompliance with the terms of this Consent Order or (2) a finding, after notice and opportunity for a hearing, by the Commissioner or a court of competent jurisdiction that Respondents have violated the Missouri Securities Act. (Such immediately due payments shall be in addition to all other penalties then available under the law.) If, after two years from the date of this Consent Order, neither of those two conditions has occurred, the Commissioner waives Respondents' payment of the remaining amount.
4. The Commissioner may refer this matter for enforcement as provided in Sections 409.6-603 and 409.6-604.

5. Respondents shall pay their own costs and attorneys' fees with respect to this matter.

**SO ORDERED:**

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,  
MISSOURI THIS 20TH DAY OF AUGUST, 2015.



JASON KANDER  
SECRETARY OF STATE

Andrew M. Hartnett

ANDREW M. HARTNETT  
COMMISSIONER OF SECURITIES

Consented to by:

RESPONDENTS

Crossroads Asset Management LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Douglas E. Stehl  
Douglas Stehl

Approved as to Form:

Jane L. Stafford  
Jane L. Stafford