



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

| | | |
|-----------------------------------|---|-------------------|
| IN THE MATTER OF: |) | |
| |) | |
| TRINITY CAPITAL MANAGEMENT, LLC |) | Case No. AP-14-17 |
| and BRADFORD BAGBY, |) | |
| |) | |
| <i>Respondents.</i> |) | |
| |) | |
| Serve: |) | |
| Trinity Capital Management, LLC |) | |
| c/o David Bagby, Registered Agent |) | |
| 7700 Shawnee Mission Parkway |) | |
| Suite 315 |) | |
| Overland Park, Kansas 66202 |) | |
| |) | |
| Serve: |) | |
| Bradford Bagby |) | |
| 7700 Shawnee Mission Parkway |) | |
| Suite 315 |) | |
| Overland Park, Kansas 66202 |) | |

CONSENT ORDER

SUMMARY OF THE SECURITIES DIVISION’S ALLEGATIONS

1. The Missouri Securities Division of the Office of Secretary of State (“Division”), through Enforcement Counsel Jennifer Martin and Director of Examinations Jamica Johnson, has alleged that Bradford Bagby (“Bagby”) transacted business as an investment adviser representative in the state of Missouri without being registered or exempt from registration for seventeen (17) months in violation of Section 409.4-404(a), RSMo (Cum. Supp. 2013)¹ and that, during this same period, Trinity Capital Management, LLC (“Trinity”) employed or associated with Bagby while Bagby transacted business in Missouri as an unregistered investment adviser in violation of Section 409.4-404(d), and that this constitutes grounds to issue an order pursuant to Section 409.6-604, RSMo.

¹ Unless otherwise noted, all statutory references are to the 2013 cumulative supplement to the Revised Statutes of Missouri.

2. Respondents and the Division desire to settle the allegations and the matters raised by the Division relating to the Respondents' alleged violations of Section 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 the Enforcement Section 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 Enforcement Section, 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 Trinity is a Missouri-registered investment adviser with a home office address of 7700 Shawnee Mission Parkway, Suite 315, Overland Park, Kansas 66202. Trinity is registered in Missouri through the Central Registration Depository System ("CRD") with number 140946.
13. Respondent Bagby is a managing member and investment adviser representative of Trinity and is registered in Missouri with CRD number 4694374. Bagby's mailing address is 7700 Shawnee Mission Parkway, Suite 315, Overland Park, Kansas 66202.
14. Bagby applied for registration in Missouri as an investment adviser representative with Trinity in or around January 2012; however, Bagby's application was termed without registration² in August of 2012.
15. In February of 2014, Bagby sent to the Division Bagby's application to register as an investment adviser representative in Missouri, along with accompanying fees and documentation. Bagby's application was approved effective February 27, 2014.
16. Along with Bagby's application, Bagby and Trinity disclosed to the Division that Bagby had been inadvertently transacting business in Missouri as an unregistered investment adviser representative for more than five (5) clients on behalf of Trinity since September of 2012.

II. CONCLUSIONS OF LAW

17. The Commissioner finds that Respondent Bagby transacted business as an unregistered investment adviser in this state from September 2012 through February 2014, in violation of Section 409.4-404(a), and that this violation constitutes grounds to issue an order pursuant to Section 409.6-604.
18. The Commissioner also finds that Respondent Trinity associated with or employed an unregistered investment adviser representative who transacted business in this state on behalf of Trinity during the same period noted above in violation of Section 409.4-

² Termed Without Registration ("T-Noreg") is a status indicating the previous registration status was deficient, pending or purged.

404(d), and that this violation constitutes grounds to issue an order pursuant to Section 409.6-604.

19. 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) and Section 409.4-404(d);
2. Respondents Trinity and Bagby are ordered to pay, jointly and severally, seventeen thousand dollars (\$17,000) to the Investor Education and Protection Fund for violations of the Missouri Securities Act. Seven thousand dollars (\$7,000) of this amount will be suspended provided Respondents comply with the terms of this Consent Order and do not violate the Missouri Securities Act for a period of two (2) years. The remaining ten thousand dollars (\$10,000) of this amount shall be sent within ten (10) days of the effective date of this Consent Order to the Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101, and shall be 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. The suspended payment in paragraph 2 shall become immediately payable, under operation of law, upon Respondents' failure to comply with the terms of this Consent Order, and such immediately due payments shall be in addition to all other penalties then available under the law. Upon Respondents' satisfaction of the terms referenced above and Respondents' compliance with the terms of this Consent Order for a period of two (2) years, the suspected payment in paragraph 3 shall be fully waived.
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.

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SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,
MISSOURI THIS 26TH DAY OF SEPTEMBER, 2014.



JASON KANDER
SECRETARY OF STATE

Andrew M. Hartnett

ANDREW M. HARTNETT
COMMISSIONER OF SECURITIES

Consented to by:

THE MISSOURI SECURITIES DIVISION

Jennifer J. Martin

Jennifer J. Martin
Enforcement Counsel

Jamica Johnson

Jamica Johnson
Director of Examinations

RESPONDENTS

Trinity Capital Management, LLC

By: David R. Bagby

Name: DAVID R. BAGBY

Title: EQUALIZING OFFICER

Bradford Bagby

Bradford Bagby