

STATE OF NEBRASKA
Department of Banking & Finance

In the Matter of)	
)	FINDINGS OF FACT
Robert M. McCulley)	CONCLUSIONS OF LAW
105 Coronado Court, Building 9-D,)	AND
Fort Collins, Colorado)	CONSENT ORDER

THIS MATTER comes before the Nebraska Department of Banking and Finance (“DEPARTMENT”), by and through its Director, pursuant to its authority under the Securities Act of Nebraska, Neb. Rev. Stat. §§ 8-1101 to 8-1123 (Reissue 2012; LB 205, 2013; LB 214, 2013) (“Act”). Pursuant to Neb. Rev. Stat. § 8-1115 (Reissue 2012), the DEPARTMENT has investigated the acts of Robert M. McCulley, 105 Coronado Court, Building 9-D, Fort Collins, Colorado. As a result of such investigation, and being fully advised and informed in the matter, the Director and Robert M. McCulley enter into the following Findings of Fact, Conclusions of Law and Consent Order (“Order”).

FINDINGS OF FACT

1. Since October 2008, Robert M. McCulley (“MCCULLEY”) has been employed by Next Financial Group, Inc. (“Next”), 2500 Wilcrest Drive, Suite 620, Houston, Texas. Next is registered as a broker-dealer with the Securities and Exchange Commission (“SEC”), the Financial Industry Regulatory Authority (“FINRA”) and all states, including Nebraska, and is registered with the SEC as an investment adviser. MCCULLEY has an office at 105 Coronado Court, Building 9-D, Fort Collins, Colorado, which office is registered with FINRA as a branch office and office of supervisory jurisdiction of Next. MCCULLEY is registered as an agent of Next with FINRA and as

an agent and investment adviser representative of Next with several states. MCCULLEY is not registered in Nebraska.

2. From July 2004 to October 2008, MCCULLEY was employed by Synergy Investment Group, LLC (“Synergy”), 8320 University Executive Park Drive, Suite 112, Charlotte, North Carolina. Synergy is registered as a broker-dealer with the SEC, FINRA and all states, including Nebraska. While employed by Synergy, MCCULLEY was registered as an agent of Synergy with FINRA and several states. MCCULLEY was not registered in Nebraska.

3. From January 2002 to July 2004, MCCULLEY was employed by Main Street Securities, LLC (“Main Street”), 1407 Main Street, Hays, Kansas. Main Street was registered with the SEC, FINRA and several states, including Nebraska, as a broker-dealer. While employed by Main Street, MCCULLEY was registered in Nebraska from April 2002 to July 2004, as an agent.

4. From June 1998 to January 2002, MCCULLEY was employed by Excalibur Financial Group, LLC (“Excalibur”), 105 Coronado Court, Building 9-D, Fort Collins, Colorado. Excalibur is registered as a broker-dealer with the SEC, FINRA, Colorado and Wyoming. Neither Excalibur nor MCCULLEY was registered to transact securities business in Nebraska.

5. From November 1989 to May 1998, MCCULLEY was employed by Royal Alliance Associates, Inc. (“Royal”), One World Financial Center, 15th Floor, New York, New York. Royal is registered as a broker-dealer with the SEC, FINRA and several states, including Nebraska. MCCULLEY was registered in Nebraska as an agent of Royal from November 1989 until May 1998.

6. From March 1988 to November 1989, MCCULLEY was employed as an agent of Integrated Resources Equity Corporation (“Integrated Resources”), a broker-dealer which was registered with the SEC, FINRA and several states, including Nebraska. MCCULLEY was registered in Nebraska as an agent of Integrated Resources from June 1988 until November 1989.

7. On or about November 13, 2008, Next submitted an application on behalf of MCCULLEY for registration as an agent in Nebraska. The application was withdrawn without registration on or about December 31, 2008.

8. On or about February 17, 2009, Next submitted a second application on behalf of MCCULLEY for registration as an agent in Nebraska. The second application was withdrawn without registration on or about March 20, 2009.

9. On or about March 11, 2009, the DEPARTMENT received a telephone call from WM, a resident of North Platte, Nebraska. MCCULLEY is aware of the identity of WM, which is being kept confidential in this Order for privacy reasons. WM indicated he was calling to show support for MCCULLEY’s registration. WM stated MCCULLEY had been the broker for WM and WM’s spouse “for over the past 30 years.”

10. On or about March 11, 2009, WM provided the DEPARTMENT with a copy of a letter from MCCULLEY asking for WM and WM’s spouse to support MCCULLEY’s application with the DEPARTMENT for registration.

11. According to Next records, between October 15, 2008, and April 14, 2009, MCCULLEY was the agent of record on the accounts of five clients in Nebraska but had not received commissions on the Nebraska accounts. On or about April 14, 2009, after

the DEPARTMENT initiated an inquiry into MCCULLEY's activities, Next changed the agent of record on the Nebraska accounts to Harold Tomlinson, the supervisor and person-in-charge for MCCULLEY's branch office.

CONCLUSIONS OF LAW

1. The DEPARTMENT has jurisdiction over this matter pursuant to the Act.
2. Neb. Rev. Stat. § 8-1103(9)(b) (Reissue 2012) provides, in part, that the Director may by order bar, censure, or impose a fine pursuant to Neb. Rev. Stat. § 8-1108.01(4) (Reissue 2012) on any person if the Director finds that (a) the order is in the public interest and (b) the person has willfully failed to comply with any provision of the Act or any rule, regulation, or order adopted and promulgated pursuant to the Act.
3. Neb. Rev. Stat. § 8-1103(1) (Reissue 2012) provides that it shall be unlawful for any person to transact business in this state as an agent of a broker-dealer unless registered under the Act.
4. The facts set forth in Findings of Fact Nos. 1 through 11, above, constitute willful violations of the Act, in that MCCULLEY acted as an agent in Nebraska without registration by having Nebraska clients when MCCULLEY was not registered pursuant to the Act, in violation of Neb. Rev. Stat. § 8-1103(1).
5. Under the Act's statutory framework, the Director has legal and equitable authority to fashion significant protective remedies.
6. It is in the best interest of MCCULLEY, and it is in the public's best interest, for MCCULLEY and the Director to resolve the issues included herein.

CONSENT ORDER

NOW THEREFORE, the parties to this Order agree as follows:

Stipulations: In connection with this Order, MCCULLEY and the Director stipulate to the following:

- a. The DEPARTMENT has jurisdiction as to all matters herein.
- b. An Order should be entered in this matter, which shall be in lieu of other proceedings by the DEPARTMENT, except as specifically referenced in this Order.

MCCULLEY further represents as follows:

1. MCCULLEY is aware of his right to a hearing on this Order at which he may be represented by counsel, present evidence, and cross-examine witnesses. The right to such a hearing and any related appeal on all matters covered by this Order, is irrevocably waived.

2. MCCULLEY is acting free from any duress or coercion of any kind or nature.

3. This Order is executed to avoid further proceedings. MUCCULLEY neither admits nor denies that the facts stated herein constitute a violation of the Act.

FURTHER, MCCULLEY agrees to take whatever action is necessary to ensure compliance with all provisions of the Act in the future. If, at any time, the DEPARTMENT determines that MCCULLEY has committed any other violations of the Act, the DEPARTMENT may take any action available to it under the Act.

IT IS THEREFORE ORDERED as follows:

1. Robert M. McCulley shall pay a fine in the amount of two thousand five hundred dollars (\$2,500.00).

2. Robert M. McCulley shall reimburse the DEPARTMENT in the amount of three hundred sixty-two dollars and 25 cents (\$362.25), one-half of the expense of the hearing officer in this matter.

3. Robert M. McCulley shall pay the total of the fines and costs assessed pursuant to this Order in the amount of two thousand eight hundred sixty-two dollars and 25 cents (\$2,862.25) by one check or money order, payable to the Nebraska Department of Banking and Finance, within thirty (30) days of the effective date of this Order.

4. The hearing on this matter is continued. Upon satisfaction of the requirements of Conditions Nos. 1, 2, and 3 of this Order, the Show Cause Order will be vacated. If any of the requirements of Conditions Nos. 1, 2, and 3 is not satisfied, MCCULLEY agrees to stipulate to FINDINGS OF FACT contained herein and to submit the matter to the hearing officer for a determination of appropriate sanctions based on such facts. Further, RESPONDENTS agrees to be responsible for all costs incurred by the DEPARTMENT as a result of any failure to comply with the conditions of this Order.

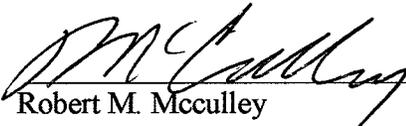
5. The Director has determined, for good cause shown, that nothing in this Order is intended, or to be construed as constituting, grounds for disqualifying Robert M. McCulley for registration under the Act. Robert M. McCulley's registration as an agent of a broker-dealer and/or an investment adviser representative shall become effective upon the entry of this Order, provided a current application for such registration has been filed with the DEPARTMENT.

In the event that MCCULLEY fails to comply with the provisions of this Order, the DEPARTMENT may commence such action as it deems necessary and appropriate in the public interest.

The effective date of this Order will be the date of the Director's signature.

DATED this 18 day of October 2013.

ROBERT M. MCCULLEY

By: 
Robert M. McCulley
105 Coronado Court, Building 9-D
Fort Collins, Colorado 80525
(970) 377-1705

DATED this 25th day of October, 2013.

**STATE OF NEBRASKA
DEPARTMENT OF BANKING AND
FINANCE**



By: 
John Munn, Director
1526 K Street, Suite 300
Lincoln, Nebraska 68508
(402) 471-2171