

**STATE OF GEORGIA  
COMMISSIONER OF SECURITIES**

**In the Matter of**

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**Case Number: ENSC-120156**

**LIGHTHOUSE FINANCIAL  
PARTNERS, LLC (CRD# 142816), and  
BENJAMIN DANIEL DEHAAN  
(CRD# 4213868),**

**Respondents.**

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**ORDER**

This matter comes before the Commissioner of Securities for the State of Georgia (the “Commissioner”) for an Order summarily suspending and revoking Respondents’ registrations with the Commissioner resulting from violations of the Georgia Uniform Securities Act of 2008, O.C.G.A. § 10-5-1, et seq. (the “Act”). Pursuant to O.C.G.A. § 10-5-71(a)(1), the Commissioner caused an investigation to be made into Lighthouse Financial Partners, LLC (“Lighthouse”) and Benjamin Daniel DeHaan (“DeHaan”) (collectively “Respondents”) to determine whether Respondents have violated, are violating, or are about to violate the Act or a rule adopted thereunder (the “Rules”). The Commissioner has determined that Respondents have engaged in acts constituting violations of the Act and this Order summarily suspending and revoking Respondents’ registrations with the Commissioner is necessary and in the public interest. Therefore, the Commissioner finds as follows:

**I. FINDINGS OF FACT**

**A. The Parties**

1. Respondent DeHaan is a resident of the State of Georgia who currently resides at 4005 Franks Drive, Tucker, Georgia 30084. Respondent DeHaan is registered with the Commissioner

(CRD# 4213868) as an investment adviser representative pursuant to O.C.G.A. § 10-5-33, and is subject to the provisions of the Act and the Rules.

2. Respondent Lighthouse is a Georgia limited liability company whose principal place of business is in Atlanta, Georgia, with an office location at 3348 Peachtree Road, NE, Tower 200, Suite 726, Atlanta, Georgia 30326. Respondent Lighthouse is registered with the Commissioner (CRD# 142816) as an investment adviser pursuant to O.C.G.A. § 10-5-32, and is subject to the provisions of the Act and the Rules.

3. Respondent DeHaan is the owner and president of Lighthouse.

**B. False Information and Documentation Provided to the Commissioner**

4. In 2011, the Commissioner, through the Commissioner's staff, commenced a routine examination of Respondent Lighthouse's books and records. See O.C.G.A. § 10-5-40(d); see also O.C.G.A. § 10-5-70(c).

5. On or about December 14, 2011, the Commissioner's staff requested financial documentation, including client lists and assets under management, from Respondents. In response, the Commissioner's staff received a production identifying TD Ameritrade, Inc. ("TD Ameritrade"), Pershing, LLC ("Pershing") and Interactive Brokers, LLC ("Interactive") as the brokerage firms holding custody of the assets of Lighthouse's clients. Respondents' production also indicated that Respondents had discretionary authority over certain client accounts.

6. On or about January 31, 2012, the Commissioner's staff made an on-site visit to Respondents' office and requested, among other things, the client files for four (4) clients.

7. The client files provided by Respondent DeHaan did not contain any account statements. When asked about the missing account statements, DeHaan informed the Commissioner's staff that he was unable to locate and provide all of the statements.

8. On or about February 22, 2012, Respondents sent the Commissioner's staff purported copies of 2011 yearly account statements from TD Ameritrade for the four (4) clients. Respondents failed to produce additional annual and quarterly statements requested by the Commissioner's staff.

9. The Commissioner's staff subsequently commenced an asset verification with TD Ameritrade using the information from Respondents' February 22, 2012 production.

10. The purported TD Ameritrade 2011 yearly account statements submitted by Respondents could not be verified by TD Ameritrade. Specifically, the clients identified in the purported TD Ameritrade account statements, did not have accounts with TD Ameritrade. TD Ameritrade did not hold any assets of Lighthouse clients in its custody, and at no time did TD Ameritrade provide brokerage services to Respondents. Additionally, these statements provided by Respondents to the Commissioner's staff contained incorrectly formatted TD Ameritrade account numbers, the incorrect clearing entity, and the monthly, quarterly and annual summaries were not formatted in a manner consistent with TD Ameritrade's format for such summaries, further indicating that the account statements had been falsified by Respondents.

11. On or about March 1, 2012, Respondents submitted additional 2010 and 2011 account statements for the four (4) clients to the Commissioner's staff. These account statements were purportedly from Interactive and Shareholder Services Group ("SSG"), an introducing broker that clears its trades through Pershing.

12. The Commissioner's staff subsequently commenced an asset verification with SSG using the information from Respondents' March 1, 2012 production.

13. The purported SSG 2010 and 2011 yearly account statements submitted by Respondents could not be verified by SSG. SSG did not have corresponding account numbers,

and did not retain custody of the assets listed in the account statements provided by Respondents to the Commissioner's staff.

14. Thus, Respondents produced false documents to the Commissioner's staff on at least two (2) separate occasions that could not be verified and matched up with existing accounts at these brokerage firms; and therefore, gave the Commissioner's staff forged records during the course of the staff's examination.

**C. Preliminary Injunction, Appointment of Receiver and Asset Freeze**

15. On June 9, 2012, the United States Securities and Exchange Commission ("SEC") filed a "Complaint for Injunctive and Other Relief" against Respondents in the United States District Court for the Northern District of Georgia, Atlanta Division (the "District Court"). Securities and Exchange Commission v. Benjamin Daniel DeHaan and Lighthouse Financial Partners, LLC, No. 1:12-CV-01996-TWT (N.D. Ga. June 9, 2012).

16. On June 11, 2012, the District Court entered a preliminary injunction against Respondents DeHaan and Lighthouse for violations of Sections 206(1) and 206(2) of the Investment Advisers Act of 1940.

17. On July 2, 2012, the District Court entered an "Order Appointing S. Gregory Hays as Receiver for Lighthouse Financial Partners, LLC and Continuation of Asset Freeze." Pursuant to the terms of the order, the District Court ordered Respondents' assets to remain frozen until further ordered and all assets owned by Lighthouse and/or client assets committed to Lighthouse were placed under receivership and included in the Receivership Estate.

**II. CONCLUSIONS OF LAW**

18. Paragraphs 1 through 17 are incorporated by reference as though fully set forth herein.

19. The Commissioner has jurisdiction over this matter pursuant to the Act. See O.C.G.A. §§ 10-5-70 and 10-5-71.

20. O.C.G.A. § 10-5-41(b) provides that the Commissioner may suspend the registration of a registrant if the Commissioner finds that it is in the public interest and the Commissioner's action is authorized by O.C.G.A. § 10-5-41(d).

21. A person may be disciplined pursuant to O.C.G.A. § 10-5-41(b) if that person “[w]illfully violated or willfully failed to comply with . . . a rule adopted or order issued under this chapter or the predecessor Act within the previous ten years.” O.C.G.A. § 10-5-41(d)(2). Pursuant to Ga. Comp. R. & Regs. § 590-4-.14, an investment adviser is required to “make and keep true, accurate, and current . . . books, ledgers, and records relating to its investment advisory business.” Respondents willfully violated this rule by falsifying TD Ameritrade and SSG account statements provided to the Commissioner's staff during the course of the examination. Accordingly, the Commissioner finds that grounds exist to discipline Respondents pursuant to O.C.G.A. 10-5-41(d)(2).

22. A person<sup>1</sup> may be disciplined pursuant to O.C.G.A. § 10-5-41(b) if that person “[i]s enjoined or restrained by a court of competent jurisdiction in an action instituted by the . . . Securities and Exchange Commission, or the United States from engaging in or continuing an act, practice, or course of business involving an aspect of a business involving securities, commodities, investments, franchises, insurance, banking, or finance.” O.C.G.A. § 10-5-41(d)(4). As a result of the injunction entered against Respondents in Securities and Exchange Commission v. Benjamin Daniel DeHaan and Lighthouse Financial Partners, LLC, No. 1:12-

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<sup>1</sup> “Person” means an individual; corporation; business trust; estate; trust; partnership; limited liability company; association; joint venture; government; governmental subdivision, agency, or instrumentality; public corporation; or any other legal or commercial entity. O.C.G.A. 10-5-2(23).

CV-01996-TWT (N.D. Ga. June 16, 2012), the Commissioner finds that adequate grounds exist to discipline Respondents pursuant to O.C.G.A. § 10-5-41(d)(4).

23. A person may be disciplined pursuant to O.C.G.A. § 10-5-41(b) if that person “[r]efuses to allow or otherwise impedes the Commissioner from conducting an audit or inspection under subsection (d) of Code Section 10-5-40.” O.C.G.A. § 10-5-41(d)(8). During the examination performed by the Commissioner’s staff, Respondent DeHaan made misleading statements to the Commissioner’s staff regarding client account statements and Respondents produced multiple forged account statements to the Commissioner’s staff during the course of the examination. Respondents’ actions impeded the Commissioner from conducting the examination and constitute grounds for disciplinary action pursuant to O.C.G.A. § 10-5-41(d)(8).

24. A person may be disciplined pursuant to O.C.G.A. § 10-5-41(b) if that person has “engaged in dishonest or unethical practices” in the securities business within the previous ten years. O.C.G.A. § 10-5-41(d)(13). An investment adviser is required to “make and keep true, accurate, and current . . . books, ledgers, and records relating to its investment advisory business.” Ga. Comp. R. & Regs. § 590-4-4-.14. By providing the Commissioner with forged client account statements, Respondents have failed to maintain true and accurate records related to Respondents’ investment advisory business. Respondents have engaged in dishonest and unethical practices necessitating disciplinary action pursuant to O.C.G.A. § 10-5-41(d)(13).

25. Accordingly, pursuant to O.C.G.A. § 10-5-41, the Commissioner may suspend Respondent Lighthouse’s registration as an investment adviser and Respondent DeHaan’s registration as an investment adviser representative.

### III. DECISION

**NOW THEREFORE, IT IS HEREBY ORDERED** as follows:

1. The registration of **LIGHTHOUSE FINANCIAL PARTNERS, LLC** (CRD# 142816) as an investment adviser registered with the Commissioner under O.C.G.A. § 10-5-32 is hereby **REVOKED** pursuant to O.C.G.A. § 10-5-41(b);
2. The registration of **BENJAMIN DANIEL DEHAAN** (CRD# 4213868) as an investment adviser representative with the Commissioner under to O.C.G.A. § 10-5-33 is hereby **REVOKED** pursuant to O.C.G.A. § 10-5-41(b); and
3. The registrations of **LIGHTHOUSE FINANCIAL PARTNERS, LLC** (CRD# 142816) and **BENJAMIN DANIEL DEHAAN** (CRD# 4213868) with the Commissioner are hereby summarily **SUSPENDED** pursuant to O.C.G.A. § 10-5-41(f) before final determination of this administrative proceeding.

The entry of this Order is deemed to be in the public interest, and shall not be deemed to constitute findings or conclusions relating to other persons unrelated to Respondents and shall not be deemed to be a waiver or estoppel on the part of the Commissioner from proceeding in individual actions against any person who may have violated the Act or any transactions not specifically referred to herein or not known to the Commissioner at the time this Order was issued.

### IV. NOTICE AND OPPORTUNITY FOR HEARING

Pursuant to O.C.G.A. § 10-5-41(f), Respondents are hereby notified that within thirty (30) days after receipt of a request for a hearing in a record from Respondents, this matter will be scheduled for a hearing unless otherwise agreed to by the parties. If Respondents do not request a hearing and none is ordered by the Commissioner within thirty (30) days after the date of

service of this Order, this Order will become final as to Respondents by operation of law. If a hearing is requested or ordered, the Commissioner, after notice of and opportunity for hearing to Respondents, may modify or vacate this Order or extend it until final determination.

A request for a hearing may be faxed to the attention of Jennifer Snow, Esq. at (770) 342-4219 or delivered to the attention of Jennifer Snow, Esq., Office of the Secretary of State, Securities Division, Suite 820 West Tower, 2 Martin Luther King Jr. Dr. S.E., Atlanta, Georgia 30334. This request should include the following information:

- A title which indicates the nature of the proceedings;
- The complete name and address of the person or persons on whose behalf the request is filed;
- The name and address of all other persons known to have a legal interest in the proceedings;
- If the person or persons on whose behalf the request is filed are represented by counsel, the name and address of counsel;
- A clear and concise statement of the facts upon which the contested case arises;
- A prayer setting forth the relief sought; and
- A statement of the grounds upon which the person contends he is entitled to the relief sought.

Respondents may request a prehearing conference with the Commissioner's staff pursuant to the Commissioner's Rule 590-4-6-.12 adopted under the Act. The receipt of a request for a prehearing conference will toll, until the date scheduled for the prehearing conference, the running of the time for requesting a hearing. If a hearing is requested, the issues or matters to be addressed are set forth in this Order. The parties to this matter shall have all of the rights provided for in O.C.G.A. § 10-5-1, et seq. and the Rules.

[SIGNATURE ON NEXT PAGE]



SO ORDERED this 24<sup>th</sup> day of July, 2012.

**BRIAN P. KEMP  
SECRETARY OF STATE  
COMMISSIONER OF SECURITIES**

By: Vincent Russo  
Vincent R. Russo  
Interim Assistant Commissioner of Securities