

BEFORE THE SECURITIES COMMISSIONER
STATE OF COLORADO
Case No. 2018-CDS-081

CONSENT ORDER

IN THE MATTER OF LEYENDA CAPITAL PARTNERS, LLC, d/b/a
JFTHOMPSON WEALTH MANAGEMENT and JEFFREY FRANCIS
THOMPSON,

Respondents.

THIS MATTER is before Chris Myklebust, Securities Commissioner for the State of Colorado (“Commissioner”), on the Stipulation for Consent Order (“Stipulation”) between the Staff of the Colorado Division of Securities (“Staff”) and Respondents Leyenda Capital Partners, LLC d/b/a JFThompson Wealth Management (IARD #282751) and Jeffrey Francis Thompson (CRD #2732245) (collectively the “Respondents”). After reviewing the Stipulation and the grounds therein, the Commissioner makes the following Findings and enters the order as follows:

FINDINGS

1. The Commissioner has jurisdiction over the Respondents and this matter pursuant to the provisions of the Colorado Securities Act, §§ 11-51-101 through 803, C.R.S.
2. Respondents agree to the following:
 - a. Permanent revocation of the Colorado investment adviser license of Leyenda Capital Partners, LLC d/b/a JFThompson Wealth Management (IARD #282751);
 - b. Permanent revocation of the Colorado investment adviser representative license of Jeffrey Francis Thompson (CRD #2732245).

NOW, THEREFORE, based on the foregoing, it is ORDERED as follows:

1. The terms of the Stipulation are incorporated herein and made a part of this Consent Order.

2. Respondents shall comply with all agreements, undertakings, and directives contained in the Stipulation, to the extent any such agreements, undertakings, or directives remain unsatisfied on the date of this Order.
3. The Colorado investment adviser license of Leyenda Capital Partners, LLC d/b/a JFThompson Wealth Management (IARD #282751) is hereby permanently relinquished
4. The Colorado investment adviser representative license of Jeffrey Francis Thompson (CRD #2732245) is hereby permanently relinquished.
5. Jeffrey Francis Thompson shall not make recommendations or otherwise render advice to clients regarding securities and shall not manage securities accounts or portfolios for clients.
6. The Commissioner shall retain jurisdiction over this action to ensure Respondents' compliance with this Order and reserves the power to enter additional orders as needed to ensure the compliance by the Respondents with this Order.
7. In the event Respondents fail to comply with any of the terms or conditions for this Consent Order or the Stipulation, the Commissioner or the Staff, in their sole discretion, may initiate formal enforcement proceedings against Respondents for such noncompliance. The Stipulation and this Consent Order shall be admissible as evidence in any such proceeding.
8. This Consent Order, and the terms and conditions herein, shall be binding on all successors and assigns.

DATE: FEBRUARY 13, 2019



CHRIS MYKLEBUST
Securities Commissioner



BEFORE THE SECURITIES COMMISSIONER

STATE OF COLORADO

Case No. 2018-CDS-081

STIPULATION FOR CONSENT ORDER

IN THE MATTER OF LEYENDA CAPITAL PARTNERS, LLC, d/b/a
JFTHOMPSON WEALTH MANAGEMENT and JEFFREY FRANCIS
THOMPSON,

Respondents.

The Staff of the Colorado Division of Securities ("Staff") and Respondents Leyenda Capital Partners, LLC d/b/a JFThompson Wealth Management (IARD #282751) and Jeffrey Francis Thompson (CRD #2732245) (collectively the "Respondents"), hereby enter into this Stipulation for Consent Order in this matter as follows:

I. Background

1. The Staff has conducted an examination and investigation pursuant to the authority provided in §§ 11-51-409 and 11-51-601, C.R.S.
2. As a result of its examination and investigation, the Staff filed a Verified Petition for Order to Show Cause as to why an Order of Summary of Suspension Should Not Enter on November 5, 2018 (the "Verified Petition"). An Order to Show Cause was signed by the Securities Commissioner on November 5, 2018 and was served along with the Verified Petition on the Respondents on November 5, 2018.
3. The Verified Petition by the Staff alleges that the Respondents violated § 11-51-501(a), (b) and (c), C.R.S.; § 11-51-502, C.R.S.; 3 CCR 704-1, Rule 51-4.10(IA)(A) and (B); 3 CCR 704-1, Rule 51-4.8(IA)(F), (H), (J) and (U).
4. Respondents filed an Answer to the Verified Petition on November 13, 2018.
5. In their Answer, Respondents denied all material allegations.

6. On November 16, 2018, the parties entered into a Stipulation for Consent Order in which the Respondents, without admitting any of the Staff's material allegations, agreed to a summary suspension of Respondents' licenses during the pendency of this licensing action.
7. On December 20, 2018, the Staff filed a Notice of Charges in the Office of Administrative Courts.
8. In its Notice of Charges, the Staff alleges the following:
 - a. Respondents charged clients unauthorized, unearned, or unclear fees;
 - b. Respondents failed to disclose the services that were provided for each fee deduction and an undisclosed bankruptcy of the firm owner;
 - c. Respondents forged certain clients' initials on advisory contracts and submitted these contracts to the Division;
 - d. Respondents provided clients with inaccurate fee invoices in order to continue the fraudulent scheme and course of business upon clients and breached their fiduciary duty to clients in violation of § 11-51-501(5), C.R.S.;
 - e. Respondents provided forged contracts and inaccurate invoices to the Division which they knew to be false and misleading in violation of § 11-51-502, C.R.S.;
 - f. Respondents filed a misleading Form ADV Part 2 that contained material omissions regarding fee arrangements;
 - g. Respondents filed a misleading Form ADV Part 2 that contained material omissions regarding Thompson's 2017 bankruptcy filing;
 - h. Respondents directly took possession and custody of funds in which the clients had a beneficial interest when Respondents directly deducted client fees and failed to provide notice in violation of 3 CCR 704-1, Rule 51-4.8(IA)(B);
 - i. Respondents misrepresented to advisory clients or prospective advisory clients the qualifications of Thompson by failing to disclose Thompson's bankruptcy filings;

j. Respondents misrepresented to advisory clients or prospective advisory clients the investment advisory fees and charged excessive or unreasonable fees in light of the circumstances by charging fees that were not authorized by the client or hourly fees in addition to flat fees and assets under management fees;

k. Respondents' misrepresentations regarding the qualifications of the investment advisor and the investment advisory fees constitute violations of 3 CCR 704-1, 51-4.8(IA)(H) and (J);

l. Respondents engaged in forgery, theft, exploitation, non-disclosure, incomplete disclosure, and manipulative and deceptive practices by charging clients unauthorized, unearned, and unclear fees and forging advisory contracts and producing other false and misleading documents to cover up such conduct in violation of 3 CCR 704-1, Rule 51-4.8(IA)(U);

m. Respondent Thompson borrowed money from a client in violation of 3 CCR 704-1, Rule 51-4.8(IA)(F).

9. Respondents deny these allegations and all material allegations in the December 20, 2018 Notice of Charges, including without limitation all allegations involving theft, forgery, and exploitation. Respondents admit only that the Commissioner has jurisdiction over Respondents and the subject matter of this action.

10. Respondents have decided to close their financial advisor business and, therefore, enter into this stipulation without going to hearing.

II. Stipulation

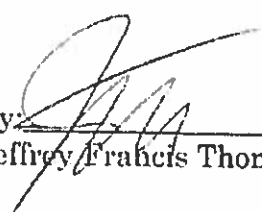
The Staff and Respondents, in order to resolve this matter without formal hearing, hereby enter into this Stipulation for Consent Order in this matter as follows:

1. The Securities Commissioner for the State of Colorado has jurisdiction over the Respondents and the subject matter of this action.
2. Respondents agree to the entry of a Consent Order in the form attached hereto as Exhibit A and incorporated by reference.

3. Respondents agree to the following:
 - a. Permanent revocation of the Colorado investment adviser license of Leyenda Capital Partners, LLC d/b/a JFThompson Wealth Management (IARD #282751);
 - b. Permanent revocation of the Colorado investment adviser representative license of Jeffrey Francis Thompson (CRD #2732245).
4. Respondents understand that they have the following rights: (1) to have a formal hearing pursuant to §§ 11-51-606(1) and (4), 24-4-104 and 24-4-105, C.R.S; (2) to be represented by counsel in that action; (3) to present a defense through oral and/or documentary evidence; (4) to cross-examine witnesses at such hearing; and (5) to seek judicial review of any final order as provided in §§ 11-51-607 and 24-4-106, C.R.S. By entering into this Stipulation, Respondents waive the rights set forth in this paragraph.
5. Respondents acknowledge that they have entered into this Stipulation voluntarily, after the opportunity to consult with counsel, and with the understanding of the legal consequences of this Stipulation and Consent Order.
6. Respondents further acknowledge that any violation of the Consent Order, when issued, may constitute grounds for further and formal proceedings against them for such violations.
7. This Stipulation is subject to approval by the Securities Commissioner and shall become binding upon the parties hereto upon such approval.

BY THE RESPONDENTS:

LEYENDA CAPITAL PARTNERS, LLC,
d/b/a JFTHOMPSON WEALTH
MANAGEMENT

By: 
Jeffrey Francis Thompson

PATRICK WAGOR
Notary Public - State of Colorado
Notary ID 20184002101
My Commission Expires Jan 11, 2022


JEFFREY FRANCIS THOMPSON

Subscribed and sworn before me this 8th day of February, 2019 in the
City/County of Arapahoe, State of Colorado by Patrick Wagon.


Notary Public


My Commission Expires: 1/11/2022

BY THE STAFF OF THE DIVISION OF SECURITIES:


David S. Cheval
Deputy Securities Commissioner

2-11-2019
Date

SIGNED AS TO FORM:


Robert W. Finke, (No. 40756)
First Assistant Attorney General
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