

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:

PARK AVENUE SECURITIES, LLC

RESPONDENTS

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**ADMINISTRATIVE ORDER
NO. SC 2009- 00¹⁴**

ORDER TO SHOW CAUSE

The Alabama Securities Commission ("Commission"), having the power to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act, upon due consideration of the subject matter hereof, has determined as follows:

RESPONDENTS

1. **PARK AVENUE SECURITIES, LLC, ("PAS")** (Firm CRD #46173), has been a registered broker dealer in the State of Alabama since April 30, 1999 and is a federally registered investment adviser that notice filed in Alabama on January 17, 2001. **PAS** maintained a branch office location at 355 North Oates Street, Suite 1, Dothan, Alabama, 36303. **PAS'S** primary business address is reportedly, 7 Hanover Square, New York, New York, 10004.

STATEMENT OF FACTS

2. A review of the Alabama Secretary of State's website revealed that on January 6, 2004, Castle Consultants, LLC ("Castle") filed an application (#696246) for their LLC status. The Articles of Organization specifically describe the purpose of the company as, "to provide financial advice and services" and identifies the Company's registered agent as C. Scott Miller with a registered office location of 355 North Oates Street, Suite 1, Dothan, Alabama, 36303.

3. Between July 2005 and October 23, 2008, Christopher Scott Miller ("Miller"), conducting business through Castle, represented to Alabama residents, both verbally and through written agreements that he was an investment adviser, and as such, would provide and perform investment advisory services using due diligence, best efforts and commercially reasonable judgment in providing them with financial recommendations. These recommendations were based on the client's investment needs including, but not limited to, insurance, real estate and other financial products. After executing service agreements with the Alabama residents, Miller charged an annual fee for the financial advice.

4. The Commission has obtained documents indicating that on August 24, 2006, an Alabama resident executed an agreement with Miller, acting as a representative of Castle, and thereafter remitted payment to Castle in the amount of \$1,500.00 for financial services to be provided. The financial services were to include gathering data from multiple advisers, monitoring all transactions and recommendations of the advisory team, and producing reports combining all financial data from the advisory team.

5. On October 30, 2008, a review of the Commission's registration files reflected that during all times relevant, Miller was registered by the Commission as a securities agent (Individual CRD# 2377758) with PAS. He is not currently employed in the securities industry and his registration as a securities agent was terminated in the state of Alabama on October 23, 2008. Commission records reflect that Miller has never been registered in the state of Alabama as an Investment Adviser Representative.

6. On March 10, 2009, a review of the Commission's registration files revealed that Castle (Branch CRD# 246015), is a branch office of PAS. Castle has a listed branch office location at 355 North Oates Street, Suite 1, Dothan, Alabama, 36303. Commission records reflect that Castle has never been a federally registered investment adviser in the state of Alabama or a state registered investment adviser.

7. On April 14, 2009, the Commission received evidence from PAS, which included Castle Service Agreements executed by Miller, indicating that Miller was receiving fees for providing financial advice to Alabama residents as described herein.

CONCLUSIONS OF LAW

8. Pursuant to Section 8-6-3(j)(10), Code of Alabama 1975, the Commission may by order revoke or suspend any registration in this State if the Commission finds that the order is in the public interest and that the registrant or any partner, officer or director, or any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the dealer, has failed to reasonably supervise his employees. **RESPONDENT**, failed to reasonably supervise Miller, in that Miller's business activity involving Castle, which was listed as a branch office of PAS, required proper registration in Alabama as an investment adviser representative and investment adviser.

This Order is appropriate in the public interest for the protection of investors and consistent with the purposes of the Alabama Securities Act.

Further, this Order does not prevent the Commission from seeking such other civil or criminal remedies that are available to it under the Alabama Securities Act.

ACCORDINGLY, IT IS HEREBY ORDERED that **RESPONDENT** demonstrate why its registration as a broker-dealer in the state of Alabama should not be suspended or permanently revoked.

Entered at Montgomery, Alabama this the 10th day of June, 2009.

ALABAMA SECURITIES COMMISSION
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(334) 242-2984

BY:


J. RANDALL MCNEILL
Deputy Director

