

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of,

ROBERT C. STARNES

Respondent.

SUMMARY ORDER TO CEASE AND
DESIST AND BARRING REGISTERED
REPRESENTATIVE AND INVESTMENT
ADVISOR REPRESENTATIVE
REGISTRATIONS

WDFI Case No. S-248141 (LX)

I.

The Administrator of the State of Wisconsin, Department of Financial Institutions, Division of Securities (“the Division”), having legal authority and jurisdiction to administer and enforce the Wisconsin Uniform Securities Law, Wis. Stats. Ch. 551 (“Ch. 551”) and rules and orders promulgated thereunder, and having determined that this action is necessary and appropriate in the public interest and for the protection of investors, hereby enters this Order as follows:

II.

Division staff have presented evidence sufficient for the Administrator to make the following findings of fact and conclusions of law:

A. Findings of Fact

Respondent

1. Robert C. Starnes (“Starnes”) (CRD# 1429794) is an adult male resident of Wisconsin. Starnes has last known addresses of [REDACTED] and [REDACTED]. Starnes was registered as a registered representative in Wisconsin with various broker-dealer firms from April 1986 to May 2023, most recently with SA Stone Wealth Management (CRD# 18456) from December 6, 2019 to May 16, 2023.

Conduct

2. On or about July 27, 2023, Starnes was the subject of an Acceptance, Waiver, and Consent by the Financial Regulatory Authority (“FINRA”) under which he was permanently barred from being registered with a member broker-dealer firm. A true and accurate copy of the FINRA Acceptance, Waiver, and Consent signed by Starnes is attached and referenced herein as Exhibit 1.

B. Conclusions of Law

Legal Authority and Jurisdiction

3. The Administrator has legal authority and jurisdiction over the conduct described above, pursuant to Ch. 551 and the rules and orders promulgated thereunder.
4. Pursuant to Wis. Stat. § 551.412(4)(e)(3), a person may be disciplined under Wis. Stats. §§ 551.412 (1) to (3) if the person is the subject of an order, issued after notice and opportunity for hearing, by a self-regulatory organization suspending or expelling the registrant from membership in the self-regulatory organization.

Violation

5. As described above in ¶¶ 1-2, Starnes violated Wis. Stat. § 551.412(4)(e)(3) when he was the subject of an Acceptance, Waiver, and Consent by the Financial Regulatory Authority (“FINRA”) under which he was permanently barred from being registered with a member broker-dealer firm on or about July 27, 2023.

III.

In view of the above findings of fact and conclusions of law, the Administrator deems it necessary and appropriate in the public interest and for the protection of investors, and pursuant to its legal authority and jurisdiction under Ch. 551, to issue the following orders and notices:

A. Summary Orders issued pursuant to Wis. Stat. §§ 551.604(2) and 551.412

- (a) IT IS ORDERED summarily that ROBERT C. STARNES, his agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of ROBERT C. STARNES, shall cease and desist from making or causing to be made in or from Wisconsin to any person or entity any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551 or successor statute, pursuant to Wis. Stat. §§ 551.604(1)(a) and (2).
- (b) IT IS FURTHER ORDERED summarily that all exemptions from registration set forth at Ch. 551 or successor statute that might otherwise apply to any offer or sale of any security or of by ROBERT C. STARNES, his agents, servants, officers, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of ROBERT C. STARNES, are hereby revoked, pursuant to Wis. Stat. §§ 551.604(1)(b) and (2).

- (c) IT IS FURTHER ORDERED summarily that all exemptions from registration set forth in Wis. Stat. §§ 551.201 and 551.202 that may otherwise apply to a specific security, transaction or offer of or by ROBERT C. STARNES, his agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of ROBERT C. STARNES, are hereby revoked, pursuant to Wis. Stats. §§ 551.604(1)(c) and (2).
- (d) IT IS FURTHER ORDERED summarily that ROBERT C. STARNES is subject to the following conditions before offering or selling any securities pursuant to an exemption available under Wis. Stats. §§ 551.201 and 551.202, pursuant to Wis. Stats. §§ 551.604(1)(c) and (2):
- i. ROBERT C. STARNES, his agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of ROBERT C. STARNES, shall file a written notice with the Division at least thirty calendar (30) days in advance of any offer of a security in or from Wisconsin pursuant to Wis. Stat. § 551.201 or Wis. Stat. § 551.202.
 - ii. As part of any notice provided under Item (i), ROBERT C. STARNES, his agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of ROBERT C. STARNES, shall include a detailed description with supporting documentation where applicable of the following:
 1. Describe the transaction to take place;
 2. Identify all persons and/or parties involved with the transaction, including the financial institutions involved if any. If a financial institution is involved, provide contact information including a physical address, phone number, electronic mail address for an authorized representative of the financial institution;
 3. Describe all due diligence conducted on the persons and/or parties involved.
- (e) IT IS FURTHER ORDERED summarily that ROBERT C. STARNES, his successors, affiliates, controlling persons, officers, agents, servants, employees and every entity and person directly or indirectly controlled or hereafter organized by or on behalf of ROBERT C. STARNES, are prohibited from violating Wis. Stat. § 551.501 and Wis. Stat. § 551.502 or successor statutes.
- (f) IT IS FURTHER ORDERED summarily that ROBERT C. STARNES, his successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on behalf of ROBERT C. STARNES are prohibited from violating Ch. 551 or successor statute that might otherwise apply to any offer or sale of a security of or by ROBERT C. STARNES.

- (g) The existence of this Order and its terms shall be disclosed in all offering documents provided in any offering of securities pursuant to Wis. Stats. §§ 551.201 or 551.202.
- (h) IT IS FURTHER ORDERED summarily that ROBERT C. STARNES is barred from future registration with the Division in any capacity, including but not limited to as an investment adviser representative or a registered representative.
- (i) PLEASE TAKE NOTICE that the orders of the Administrator are effective as of the issuance of this order, pursuant to Wis. Stat. § 551.604(2).

B. Service of Order

- (j) IT IS FURTHER ORDERED that this order shall be sent promptly by certified mail to each party named in the order at his or her last known address or to the party's attorney of record, or shall be personally served upon the party or the party's attorney of record, pursuant to Wis. Admin. Code § DFI-Sec. 8.06. This order shall also be served upon the office of the administrator pursuant to Wis. Stat. § 551.611.
- (k) PLEASE TAKE NOTICE that the date of the service of this order is the date it is placed in the mail if service is by certified mail. If a party or the party's attorney is personally served, the date of service is the date service is completed. You are advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

C. Notice of Hearing Rights

- (l) PLEASE TAKE NOTICE that you have the right to request a hearing, pursuant to Wis. Stat. § 551.604(2). Every request for a hearing shall be in the form of a written petition filed with the Division, pursuant to Wis. Admin. Code § DFI-Sec. 8.01 and Wis. Stat. § 227.42. A petition for a hearing to review the order shall:
 - (1) Plainly admit or deny each specific allegation, finding or conclusion in the order and incorporated papers. However, if the petitioner lacks sufficient knowledge or information to permit such an admission or denial, the petition shall so state, and that statement shall have the effect of a denial; and
 - (2) State all affirmative defenses. Affirmative defenses not raised in the request for hearing may be deemed waived.

(m) PLEASE TAKE FURTHER NOTICE that you may file your written petition:

- (1) By mailing the written petition to:
Division of Securities
Wisconsin Department of Financial Institutions
P.O. Box 1768
Madison, Wisconsin 53701
- (2) By delivering the written petition in person to:
Division of Securities
Wisconsin Department of Financial Institutions
4822 Madison Yards Way, North Tower, 4th Floor
Madison, Wisconsin 53705
- (3) By faxing the written petition to (608) 264-7979

(n) PLEASE TAKE FURTHER NOTICE that the petition for hearing must be filed with the Division. Pursuant to Wis. Stat. § 551.102(8), "filing" means "receipt." Therefore, a petition is not "filed" with the Division until it is actually "received" by the Division. If the Division does not receive your written petition before midnight on the 30th day after the date of service of this order, your right to a hearing will be waived and the Summary Order shall become final by operation of law.

(o) PLEASE TAKE FURTHER NOTICE that if you do not request a hearing and none is ordered by the Administrator within 30 days after the date of service of this order, the findings of fact, conclusions of law, and summary orders and proposed final orders, including the imposition of a civil penalty and requirement for payment of restitution and interest sought in a statement in the order, become final by operation of law, pursuant to Wis. Stat. § 551.604(2).

(p) PLEASE TAKE FURTHER NOTICE that, within 15 days after the Division's receipt of a written request for a hearing from you, the matter will be scheduled for a hearing or other public administrative proceedings, pursuant to Wis. Stats. §§ 551.604(2) and (3).

D. Notifications

(q) PLEASE TAKE FURTHER NOTICE violations of this Order, once final, may be enforced by any investor, or by the Division pursuant to Wis. Stat. § 551.604(7) whether acting in its own right or on behalf of the investor, by petitioning any court of competent jurisdiction to enforce the terms of the order.

(r) PLEASE TAKE FURTHER NOTICE failure to provide a copy of this Order to prospective investors may be a material misrepresentation in violation of Ch. 551 and this order.

(s) PLEASE TAKE FURTHER NOTICE that this Order is effective on the date it is issued. ROBERT C. STARNES is advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

EXECUTED at Madison, Wisconsin this 13th day of June, 2024.



Leslie M. Van Buskirk

Leslie M. Van Buskirk
Administrator

Division of Securities
State of Wisconsin, Department of Financial Institutions
4822 Madison Yards Way, 4th Floor
Madison, Wisconsin 53705

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2023078420501**

TO: Department of Enforcement
Financial Industry Regulatory Authority (FINRA)

RE: Robert Charles Starnes (Respondent)
Former General Securities Representative and Investment Company and Variable
Contracts Products Representative
CRD No. 1429794

Pursuant to FINRA Rule 9216, Respondent Robert Charles Starnes submits this Letter of Acceptance, Waiver, and Consent (AWC) for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against Respondent alleging violations based on the same factual findings described in this AWC.

I.

ACCEPTANCE AND CONSENT

- A. Respondent accepts and consents to the following findings by FINRA without admitting or denying them:

BACKGROUND

Starnes first became registered with FINRA in March 1986 through an association with a FINRA member firm. From December 2019 through May 2023, Starnes was registered with FINRA as a General Securities Representative and Investment Company and Variable Contracts Products Representative through an association with SA Stone Wealth Management Inc. (CRD No. 18456). On May 16, 2023, SA Stone filed a Uniform Termination Notice for Securities Industry Registration (Form U5), reporting Starnes's discharge. The Form U5 stated that Starnes "[v]iolated the Firm's policy/procedure related to acceptance of client funds."

Starnes is not currently registered or associated with a FINRA member firm. However, he remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.¹

OVERVIEW

Starnes refused to appear for testimony requested pursuant to FINRA Rule 8210, in violation of FINRA Rules 8210 and 2010.

¹ For more information about the respondent, visit BrokerCheck® at www.finra.org/brokercheck.

FACTS AND VIOLATIVE CONDUCT

This matter originated from a customer complaint made to FINRA.

FINRA Rule 8210(a)(1) requires a “member, person associated with a member, or any other person subject to FINRA’s jurisdiction to provide information orally, in writing, or electronically . . . and to testify at a location specified by FINRA staff . . . with respect to any matter involved in [a FINRA] investigation [or] examination.” FINRA Rule 8210(c) provides that “[n]o member or person shall fail to provide information or testimony . . . pursuant to this Rule.” A violation of FINRA Rule 8210 is also a violation of FINRA Rule 2010, which requires associated persons in the conduct of their business to “observe high standards of commercial honor and just and equitable principles of trade.”

On May 26, 2023, FINRA sent a request to Starnes pursuant to FINRA Rule 8210 to appear for on-the-record testimony on June 8, 2023. At Starnes’s request, FINRA adjourned the on-the-record testimony on June 8, 2023, for him to consider whether to retain counsel. On June 29, 2023, FINRA sent another request to Starnes pursuant to FINRA Rule 8210 to appear for on-the-record testimony on July 13, 2023. As stated during his phone call with FINRA on July 12, 2023, and by this agreement, Starnes acknowledges that he received FINRA’s request and will not appear for on-the-record testimony at any time. By refusing to appear for on-the-record testimony as requested pursuant to FINRA Rule 8210, Starnes violated FINRA Rules 8210 and 2010.

B. Respondent also consents to the imposition of the following sanctions:

- a bar from associating with any FINRA member in all capacities.

Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA’s By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, he may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. See FINRA Rules 8310 and 8311.

The sanctions imposed in this AWC shall be effective on a date set by FINRA. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA’s Code of Procedure:

- A. To have a complaint issued specifying the allegations against him;

- B. To be notified of the complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made, and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council (NAC) and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent specifically and voluntarily waives any right to claim bias or prejudice of the Chief Legal Officer, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

Respondent understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
 - 2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
 - 3. FINRA may make a public announcement concerning this agreement and its subject matter in accordance with FINRA Rule 8313; and

4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Respondent may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent understands and acknowledges that FINRA does not represent or advise him and Respondent cannot rely on FINRA for legal advice. Respondent has agreed to the AWC's provisions voluntarily; and no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.

July 19, 2023

Date

Robert Starnes

Robert Charles Starnes
Respondent

Accepted by FINRA:

Signed on behalf of the
Director of ODA, by delegated authority

July 27, 2023

Date

Jamie P. Keesing

Jamie P. Keesing
Counsel
FINRA
Department of Enforcement
10 Harborside Plaza
3 Second Street, Suite 900
Jersey City, NJ 07302



State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary

AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Robert C. Starnes at his last known address of [redacted]:
i. A copy of the Summary Order to Cease and Desist and Barring Registered Representative and Investment Advisor Representative Registrations, Exhibit 1; DFI Case No. S-248141 (LX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi (handwritten signature)

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

Subscribed and sworn to before me

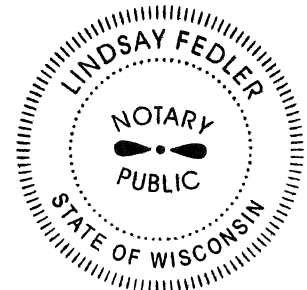
This 13th day of June, 2024.

Lindsay Fedler (handwritten signature)

Notary Public, State of Wisconsin

My commission is permanent.

(Notary Seal)





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary

**AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611**

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

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I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

Subscribed and sworn to before me

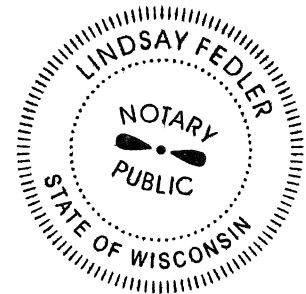
This 13th day of June, 2024.

Lindsay Fedler

Notary Public, State of Wisconsin

My commission is permanent.

(Notary Seal)





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary

AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Attorney Julie Linnen on behalf of Robert C. Starnes at her last known business address of Milwaukee FDSW, 411 East Wisconsin Avenue, Suite 2310, Milwaukee, WI 53202:
i. A copy of the Summary Order to Cease and Desist and Barring Registered Representative and Investment Advisor Representative Registrations, Exhibit 1; DFI Case No. S-248141 (LX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

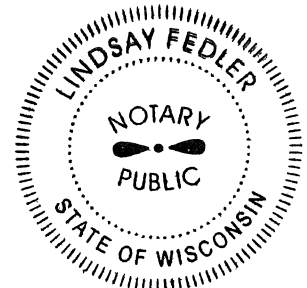
Subscribed and sworn to before me

This 13th day of June, 2024.

Lindsay Seeller

Notary Public, State of Wisconsin

(Notary Seal)



My commission is permanent.