

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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IN THE MATTER OF: James Alan Issel )  
\_\_\_\_\_) )

FILE NO. 1300153

**CONSENT ORDER OF DISMISSAL**

TO THE RESPONDENT:

James Alan Issel  
(CRD #1350223)  
32W077 Army Trail Road  
Wayne Illinois, 60184

Cetera Advisor Networks LLC  
200 North Sepulveda Boulevard Suite 1300  
El Segundo, CA 90245

WHEREAS, Respondent on the 6<sup>th</sup> day of May, 2013 executed a certain Stipulation to Enter Consent Order of Dismissal (the "Stipulation"), which hereby is in corporate by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Corrected Notice of Hearing of the Secretary of State, Securities Department, dated March 12, 2013 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Dismissal ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the truth thereof, that the following allegations contained in the Corrected Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1. That at all relevant times, the Respondent was registered with the Secretary of State as an investment adviser representative in the State of Illinois pursuant to Section 8 of the Act.
2. That on FINRA entered LETTER OF ACCEPTANCE WAIVER AND CONSENT ("AWC" or "Order") submitted by the Respondent regarding Disciplinary Proceeding No. 201102555601 which sanctioned the Respondent as follows:

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- a) Suspended from association with any FINRA member in any capacity for ten (10) business days, and
  - b) Fined \$15,000.
3. That the Order found: NASD RULES 2110, 2310(A): ISSEL ENGAGED IN A PATTERN OF UNSUITABLE MUTUAL FUND RECOMMENDATIONS IN THE ACCOUNTS OF SEVERAL CUSTOMERS OF HIS MEMBER FIRM. IN THE BEGINNING, AFTER REVIEWING THE VARIOUS SHARE CLASS OPTIONS OFFERED BY AN ENTITY, ISSEL CONCLUDED THAT THE ENTITY'S CLASS-T SHARES PROVIDED HIS CUSTOMERS THE BEST BALANCE OF UPFRONT SALES CHARGES AND ONGOING ANNUAL FEES. THEREFORE, ISSEL RECOMMENDED THAT EACH OF THE CUSTOMERS SWITCH SHARE CLASSES, FROM CLASS-T SHARES TO CLASS-C SHARES, FOR THEIR EXISTING MUTUAL INVESTMENTS WITHIN THE SAME MUTUAL FUND FAMILY. LATER, ISSEL BEGAN RECOMMENDING TO NEW MUTUAL FUND CUSTOMERS THAT THEY INVEST IN ENTITY'S CLASS-C SHARES. THE EXISTING CUSTOMERS TO WHOM ISSEL MADE THESE RECOMMENDATIONS HAD NOT EXPERIENCED ANY CHANGE IN THEIR FINANCIAL SITUATION OR INVESTMENT OBJECTIVES. RATHER, ISSEL MADE THE RECOMMENDATIONS BECAUSE HE WANTED HIS CUSTOMERS INVESTING IN THE ENTITY'S MUTUAL FUND TO BE INVESTED IN THE SAME SHARES CLASS, THE CLASS-C, WHICH HE BELIEVED WOULD RESULT IN EASIER RECORD-KEEPING AND MORE EFFICIENT EXCHANGES WITHIN THE VARIOUS MUTUAL FUNDS. ISSEL'S RATIONALE FOR RECOMMENDING THE CLASS-C SHARES TO HIS NEW CUSTOMERS WAS THAT ELIMINATING THE UPFRONT SALES CHARGE WOULD GENERATE A HIGHER RETURN FOR THE NEW CUSTOMER IN THE SHORT TERM AND, THEREFORE, INCREASE THE LIKELIHOOD OF THE NEW CUSTOMER REMAINING WITH ISSEL FOR THE LONG TERM. IN EACH CASE, THE TRANSACTIONS WHEREBY THESE CUSTOMERS SWITCHED SHARE CLASS GENERATED ADDITIONAL COMPENSATION FOR ISSEL, BUT PROVIDED NO ECONOMIC BENEFIT TO THE CUSTOMERS.
4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of an investment adviser representative may be revoked if the Secretary of State finds that such investment adviser representative has been suspended by any self-regulatory organization Registered under the Federal 1934 Act or the Federal 1974 Act arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory Organization.
5. That FINRA is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.

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6. That by virtue of the foregoing, the Respondent's registration as an investment adviser representative in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(j) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law.

The Respondent's registration as an Investment Adviser Representative in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(j) of the Act.

WHEREAS by means of the Stipulation, Respondent has acknowledged and agreed that he shall be levied costs incurred during the investigation of this matter in the amount of Seven Hundred Fifty dollars (\$750.00). Said amount is to be paid by certified or cashier's check, made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he has submitted with the Stipulation a certified or cashier's check in the amount of Seven Hundred Fifty dollars (\$750.00) to cover costs incurred during the investigation of this matter. Said check has been made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he has executed a certain Affidavit which contains undertakings that he will continue to adhere to upon entry of this Consent Order. Said Affidavit is incorporated herein and made a part hereof.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

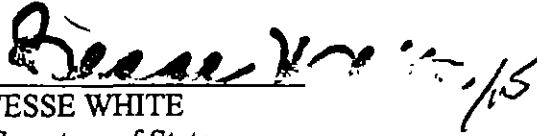
1. The Corrected Notice of Hearing dated March 12, 2013 is dismissed.
2. The Respondent is levied costs of investigation in this matter in the amount of Seven Hundred Fifty dollars (\$750.00), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, and on May 6<sup>th</sup>, 2013 has submitted Seven Hundred Fifty dollars (\$750.00) in payment thereof
3. The Respondent James Alan Issel shall comply with all the terms and conditions contained in his accompanying Affidavit, which has been made a part of this Order.

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4. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 7<sup>th</sup> day of May 2013.

  
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JESSE WHITE  
Secretary of State  
State of Illinois

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