

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF:

HERZOG FINANCIAL GROUP, LLC
its managers, officers, affiliates, subsidiaries,
representatives, successors, and assigns, and;

ANNE HERZOG, an individual;

)
)
)
)
)
)
)
)
)
)
)

File No. 1900410

CONSENT ORDER AND FINE

TO THE RESPONDENTS:

Herzog Financial Group, LLC (CRD # 174141)
3636 S. Geyer Road, Suite 100
St. Louis, MO 63127

Anne Herzog (CRD # 1430905)
12528 Triple Oaks Drive
Sunset Hills, MO 63128

TO THE ATTORNEY FOR
THE RESPONDENTS:

The Cosgrove Law Group, LLC
Care of: David Cosgrove
7733 Forsyth Boulevard, Suite 1675
St. Louis, MO 63105

WHEREAS, Anne Herzog, personally and as an owner and Chief Compliance Officer of Herzog Financial Group, LLC, on the 3rd day of October, 2019 executed a certain Stipulation to Consent Order ("the Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent Anne Herzog, personally and as an owner and Chief Compliance Officer of Herzog Financial Group, LLC, admitted to the jurisdiction of the Secretary of State, Securities Department, and has consented to the entry of this Consent Order.

WHEREAS, by means of the Stipulation, Respondent Anne Herzog, personally and as an owner and Chief Compliance Officer of Herzog Financial Group, LLC, admits to the Findings of Facts contained in this Order.

**FAILURE TO REGISTER AS AN INVESTMENT ADVISER AND INVESTMENT
ADVISER REPRESENTATIVE**

The findings of fact are as follows:

1. Respondent Herzog Financial Group, LLC ("Herzog") is a Missouri limited liability company, and is an investment adviser firm which has been registered in this capacity in the State of Missouri since January 26, 2015. Respondent Herzog has a last known business address of 3636 S. Geyer Road, Suite 100, St. Louis. MO 63127.
2. Respondent Anne Herzog ("A.H.") is a Missouri resident and an investment adviser representative of Respondent Herzog, and is registered as such in the State of Missouri.
3. From at least 2016, Respondents Herzog and A.H. held themselves out as an investment adviser and investment adviser representative, respectfully, in the State of Illinois, and provided investment advice to several Illinois residents.
4. Section 8.A of the Illinois Securities Law of 1953 (the "Act") states *inter alia* that every investment adviser and investment adviser representative shall be registered with the Secretary of State. [815 ILCS 5/8.A].
5. Although Respondents were registered with the State of Missouri as an investment adviser and an investment adviser representative, they were required to register as such with the Illinois Secretary of State before providing investment advice to Illinois residents and failed to do so between 2016 and 2019.
6. Section 12.C of the Act states that it shall be a violation of the provisions of this Act for any person to act as a dealer, salesperson, investment adviser or investment adviser representative, unless registered as such, where such registration is required, under the provisions of this Act.
7. Section 12.D of the Act states that it shall be a violation of the provisions of this Act for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of this Act or any rule or regulation made by the Secretary of State pursuant to this Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 hereof.
8. By nature of the foregoing, Respondents Herzog and A.H. violated sections 12.C and 12.D of the Act.

CONCLUSIONS OF LAW

WHEREAS, by means of the Stipulation, Respondent Anne Herzog, personally and as an owner and Chief Compliance Officer of Herzog Financial Group, LLC, acknowledges, agrees and admits that the following shall be adopted as the Secretary of State's Conclusions of Law:

1. Illinois has jurisdiction over this matter pursuant to the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act");
2. Respondent Anne Herzog, personally and as an owner and Chief Compliance Officer of Herzog Financial Group, LLC, acknowledges, agrees and admits that Respondents Herzog and A.H. violated Sections 12.C and 12.D of the Act.

UNDERTAKINGS

WHEREAS, by means of the Stipulation, Respondent Anne Herzog, personally and as an owner and Chief Compliance Officer of Herzog Financial Group, LLC has acknowledged and agreed to the following undertakings:

1. Respondents Herzog Financial Group, LLC and Anne Herzog shall refrain from providing investment advice in or from the State of Illinois until registered as an investment adviser and investment adviser representative in the State of Illinois;
2. Respondents Herzog Financial Group, LLC and Anne Herzog agree to pay One Thousand Six Hundred Fifty Dollars (\$1,650.00) representing back registration fees for 2016, 2017, and 2018 for Respondents Herzog Financial Group, LLC and Anne Herzog. Said fees shall be paid by certified or cashier's check, made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund located at 69 West Washington, Suite 1220, Chicago, IL 60602 and referencing case # 1900410 within 30 days of this Order;
3. Respondents Herzog Financial Group, LLC and Anne Herzog agree to pay a fine in the amount of Four Thousand Five Hundred Dollars (\$4,500). Said fine shall be paid by certified or cashier's check, made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund located at 69 West Washington, Suite 1220, Chicago, IL 60602 and referencing case # 1900410 within 30 days of this Order.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. **Respondent Herzog Financial Group, LLC SHALL** refrain from providing investment advice in or from the State of Illinois until registered as an investment adviser in the State of Illinois;
2. **Respondent Anne Herzog SHALL** refrain from providing investment advice in or from the State of Illinois until registered as an investment adviser representative in the State of Illinois;
3. **Respondents Herzog Financial Group, LLC and Anne Herzog SHALL** pay One Thousand Six Hundred Fifty Dollars (\$1,650.00) representing back registration fees for 2016, 2017, and 2018 for Respondents Herzog Financial Group, LLC and Anne Herzog. Said fees shall be paid by certified or cashier's check, made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund located at 69 West

Consent Order

-1900410-

Washington, Suite 1220, Chicago, IL 60602 and referencing case # 1900410 within 30 days of this Order;

4. **Respondents Herzog Financial Group, LLC and Anne Herzog SHALL** pay a fine in the amount of Four Thousand Five Hundred Dollars (\$4,500). Said fine shall be paid by certified or cashier's check, made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund located at 69 West Washington, Suite 1220, Chicago, IL 60602 and referencing case # 1900410 within 30 days of this Order.

The Notice of Hearing dated October 7, 2019, will be dismissed against Respondents Herzog Financial Group, LLC and Anne Herzog without further proceedings upon full satisfaction of all obligations set forth in this Order.

The entry of this Consent Order with Herzog Financial Group, LLC and Anne Herzog ends the Secretary of State, Securities Department's formal hearing of this matter.

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Illinois Securities Law of 1953, as amended, 815 ILCS 5/1 et seq. (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

This is a Final Order subject to judicial review pursuant to the Administrative Review Law, 735 ILCS 5/3-101 et seq. and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. I, Sec. 130.1123. Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review. Mailing of this Order to the Respondent or representative of record constitutes service of the Order.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent.

Date of Mailing: This 7th day of October, 2019.



JESSE WHITE
Secretary of State
State of Illinois

Attorneys for the Secretary of State:

Frank Loscuito
Office of the Secretary of State
Illinois Securities Department
69 West Washington Street, Suite 1220
Chicago, Illinois 60602
Telephone: (312) 793-7319