

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE  
OFFICE OF THE STATE AUDITOR  
STATE OF MONTANA**

IN THE MATTER OF:	)	Case No.: SEC-2010-07
	)	
FINANCIAL ASSETS CORPORATION, a broker-	)	
dealer firm (CRD # 13777), and DAVID N.	)	
BOTTOMS, individually (CRD #1633443),	)	<b>CONSENT AGREEMENT AND</b>
	)	<b>FINAL ORDER</b>
Respondents.	)	
	)	

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This Consent Agreement and Final Order (Agreement) is entered into by the Montana Securities Department (Department), acting pursuant to the authority of the Securities Act of Montana, Mont. Code Ann. § 30-10-101, *et seq.*, (Act), Financial Assets Corporation, a broker-dealer firm with a principal place of business in New York, New York, and David N. Bottoms, President, Chief Compliance Officer, and salesperson for Financial Assets Corporation (collectively "Respondents").

**RECITALS**

WHEREAS, on November 10, 2009, Financial Assets Corporation sought registration in Montana;

WHEREAS, as part of the application process, Financial Assets Corporation disclosed to the Department that, through David N. Bottoms, Financial Assets Corporation maintained an account with a Montana resident and without being registered

by the Department, conducted a certain number of securities transactions on behalf of the Montana resident;

WHEREAS, the Department alleges that the Respondents violated Mont. Code Ann. § 30-10-201(2) by conducting securities transactions without being properly registered or being exempt from the Act; and

WHEREAS, the Department and the Respondents agree that the best interests of the public would be served by entering into this Agreement.

NOW THEREFORE, in consideration of the mutual undertakings contained in this Agreement, the Department and the Respondents hereby agree to settle this matter pursuant to the following terms and conditions:

**STIPULATIONS AND CONSENTS**

- I. Without admitting or denying any of the Department's allegations, the Respondents stipulate and consent to the following:
  - A. Upon execution of this Agreement, David N. Bottoms shall submit to the Department such information as the Department may request confirming that from December 8, 2009, until Financial Assets Corporation is properly registered in Montana, no solicitations of securities transactions have been or will be made to Montana residents by the Respondents.
  - B. Within 10 days from the execution of this Agreement, the Respondents shall donate a total of \$6,794.85 to the Investor Protection Trust for the benefit of the state of Montana;
  - C. Within 10 days from the execution of this Agreement, the Respondents shall pay a \$5,000.00 fine to the state of Montana.

D. The Respondents fully and forever release and discharge the Commissioner, the Department, and all of the Department's employees and agents from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of this Agreement.

E. This Agreement is entered without adjudication of any issue, law or fact. It is entered into solely for the purpose of resolving the Department's investigation and allegations and is not intended to be used for any other purpose. For any person or entity not a party to this Agreement, this Agreement does not limit or create any private rights or remedies against the Respondents including, limit or create liability of Respondents, or limit or create defenses of Respondents, to any claims.

F. Upon execution of this Agreement, the Respondents acknowledge and waive their right to appeal the Commissioner's Order.

II. The Department and the Respondents to this Agreement agree and acknowledge:

A. This Agreement constitutes the entire agreement between the parties and that no other promises or agreements, either express or implied, have been made by the Department or by any member, officer, agent or representative of the Department to induce Respondents to enter into this Agreement.

B. This Agreement may not be modified orally and any subsequent modifications to this Agreement must be mutually agreed upon in writing to be effective.

C. This Agreement shall be incorporated into and made a part of the attached Final Order issued by the Commissioner herein.

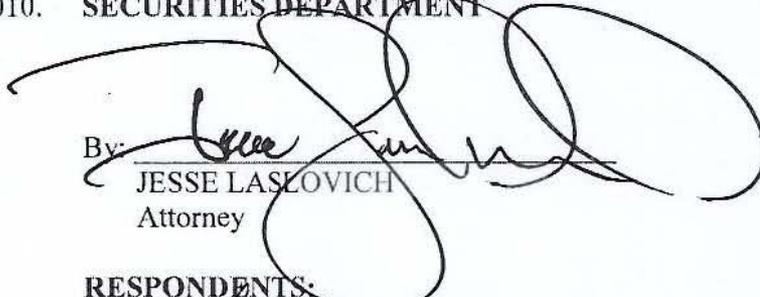
D. Upon execution of this Agreement, the Department will not commence an administrative action against the Respondents based upon the activities giving rise to the Department's investigation that occurred prior to the execution of this Agreement.

E. This Agreement shall be effective upon signing of the Final Order.

F. This Consent Agreement and Final Order shall not constitute a final judgment or decree as provided by Mont. Code Ann. § 30-10-305(2).

G. This Agreement and Final Order are public records under Montana law and as such may not be sealed or otherwise withheld from the public.

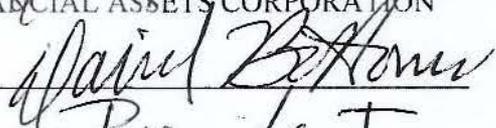
DATED this 27<sup>th</sup> day of January, 2010. **SECURITIES DEPARTMENT**

By:   
JESSE LASLOVICH  
Attorney

**RESPONDENTS:**

DATED this 21<sup>st</sup> day of January, 2010

  
FINANCIAL ASSETS CORPORATION

By:   
Its: President

DATED this 21<sup>st</sup> day of January, 2010

  
DAVID N. BOTTOMS

**FINAL ORDER**

Pursuant to the authority vested by Mont. Code Ann. § 2-4-603 and §§ 30-10-101 *et seq.*, and upon review of the foregoing Consent Agreement and good cause appearing,

IT IS HEREBY ORDERED that the foregoing Consent Agreement between the Securities Department and the Respondents, Financial Assets Corporation and David N. Bottoms, is adopted as if set forth fully herein.

DATED this 27<sup>th</sup> day of JANUARY, 2010.

MONICA J. LINDEEN  
Commissioner of Securities and Insurance  
Montana State Auditor

By:   
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LYNNE EGAN  
Deputy Commissioner of Securities

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that this 27<sup>th</sup> day of JANUARY, 2010, a true and correct copy of the foregoing Consent Agreement and Final Order was served upon the following by hand delivery or by depositing the same in the United States mail postage paid and addressed as follows:

**VIA USPS:**

Dorsey & Whitney LLP  
Mr. Bruce MacKenzie, Esq.  
50 South Sixth Street, Suite 1500  
Minneapolis, MN 55402-1498

Financial Assets Corporation  
Mr. David Bottoms  
30 Wall Street, Suite 1203  
New York, NY 10005

**VIA HAND DELIVERY:**

Jesse Laslovich, CSI Attorney

A handwritten signature in black ink, appearing to read "Jesse Laslovich", is written over a horizontal line.