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IN THE MATTER OF §
THE INVESTMENT ADVISER §
REPRESENTATIVE REGISTRATION OF § **Order No. REG19-SUS-04**
MARK A. TREWITT §

TO: Mark A. Trewitt (CRD # 1364490)
Delta Investment Management, LLC
1820 Preston Park Blvd. #1155
Plano, TX 75093

DISCIPLINARY ORDER

Be it remembered that Mark A. Trewitt ("Respondent") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this order ("Order") and the Findings of Fact and the Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to the Respondent by the Securities Act, Tex. Rev. Civ. Stat. Ann. Arts. 581-1 to 581-45 (West 2010 & Supp. 2018) ("Texas Securities Act"), and the Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001 to 2001.902 (West 2008 & Supp. 2018) ("Administrative Procedure Act").
2. From November 22, 2010 through November 13, 2017, Respondent was registered with the Securities Commissioner as an agent of VFG Securities, Inc. ("VFG Securities").

3. From July 14, 2011 through December 31, 2018, Respondent was registered with the Securities Commissioner as an investment adviser representative of VFG Advisors, Inc ("VFG Advisors").
4. Neither VFG Securities nor VFG Advisors are currently registered as a dealer or investment adviser with the Securities Commissioner.
5. On October 31, 2018, Respondent applied for registration with the Securities Commissioner as an investment adviser representative for Delta Investment Management, LLC ("Delta"). This registration is currently pending.
6. In connection with respondent's application to register with the Securities Commissioner, Respondent has submitted the Uniform Application for Securities Industry Registration or Transfer ("Form U4").
7. Item 14I(2) of the Form U4 requires the disclosure of whether the individual has ever been named, subject of, or otherwise involved in an investment-related, consumer-initiated arbitration, civil litigation, or complaint.
8. As of the date Respondent submitted his Form U4 to the Securities Commissioner, Respondent's Form U4 reflected that he has been named in sixteen (16) separate investment-related, consumer-initiated actions, of which five (5) remain pending a resolution.
9. The disclosed complaints contain allegations relating to excessive concentrations in illiquid securities.

Sales of Direct Participation Programs and Private Placements

10. While registered as an agent of VFG Securities, Respondent engaged in the sales of non-listed Real Estate Investment Trusts and Business Development Companies (known as Direct Participation Programs or "DPPs"), and securities sold pursuant to an exemption from registration (known as "Private Placements") on behalf of VFG Securities.
11. The non-listed DPPs and Private Placements sold by Respondent were risky, illiquid investments. Certain products were expressly designated as such in the disclosure documents for these investments.
12. During the period March 2011 through November 2015, Respondent recommended that multiple clients invest a significant percentage of their investable assets in non-listed DPPs and Private Placements.

13. Clients A & B were a husband and wife, both retired, ages 76 and 73 respectively, with a moderate risk tolerance. During the relevant period, Respondent recommended twenty-six (26) illiquid securities: 13 Private Placements and 13 non-listed DPPs.
14. Notably, by November 2013, Respondent had recommended that Clients A & B allocate about 40% of their total net worth in illiquid securities.
15. On one occasion, Respondent recommended that Clients A & B invest \$275,000 of their available liquid assets of \$689,822 in five (5) Private Placements and two (2) non-listed DPPs.
16. Respondent also recommended that Clients C & D, a husband and wife, invest exactly half of their \$346,613 in liquid assets in a single Private Placement, Aequitas Income Opportunity Fund II, that was ultimately placed under receivership.
17. The policies and procedures of VFG Securities required potential investors to complete a "Purchaser Questionnaire" in connection with each investment in a non-listed DPP or Private Placement that was subject to review and approval by a supervisor of VFG Securities.
18. Each non-listed DPP and Private Placement sold by Respondent had been approved by a supervisor of VFG Securities.
19. Nevertheless, Respondent did not have a reasonable basis to believe that the recommendations to these aforementioned clients to allocate their investments in Private Placements and non-listed DPPs at the respective concentration levels were suitable for the clients given the risk and illiquidity of these products.

CONCLUSIONS OF LAW

1. Respondent's recommendations without a reasonable basis to believe that the investments were suitable constitute inequitable practices in the sales of securities.
2. Pursuant to Section 14.A(3) of the Texas Securities Act, the aforementioned inequitable practices in the sales of securities are bases for the suspension of Respondent's registration with the Securities Commissioner.

UNDERTAKING

1. Respondent undertakes and agrees that so long as Respondent is registered with the Securities Commissioner as an investment adviser representative of Delta, Respondent will not recommend to clients any non-listed DPP or Private Placement in connection with the rendering of services as an investment adviser representative, regardless of whether the product has been approved by Delta's compliance department.
2. Respondent further undertakes and agrees that all recommendations made by Respondent to clients of Delta in connection with the rendering of services as an investment adviser representative will be reviewed and approved by a principal of Delta prior to execution of the transaction.
3. Respondent further undertakes and agrees that, for a period of two (2) years from the date of this Order and Undertaking, Respondent will deliver to the legal counsel of the Inspections & Compliance Division of the Texas State Securities Board ("Counsel") any written or oral complaints and report the initiation of any regulatory actions within which Respondent's name appears or in which Respondent is otherwise involved.
4. Respondent further undertakes and agrees that each referenced complaint and regulatory action will be delivered and/or reported to Counsel within ten (10) business days of when Respondent receives such complaint or initiation of such regulatory action.

ORDER

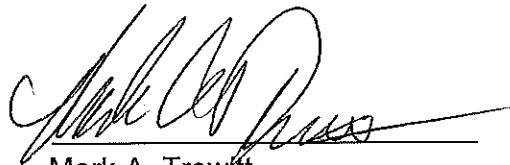
1. It is therefore ORDERED that the registration of Mark A. Trewitt as an investment adviser representative of Delta Investment Management, LLC with the Securities Commissioner is hereby GRANTED.
2. It is further ORDERED that the investment adviser representative registration of Mark A. Trewitt with the Securities Commissioner is hereby SUSPENDED for a period of ninety (90) days.
3. It is further ORDERED that Mark A. Trewitt COMPLY with the terms of the Undertaking contained herein.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 6th
day of June, 2019.



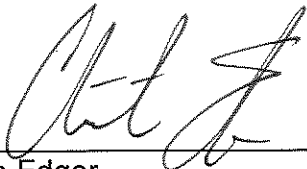
TRAVIS J. ILES
Securities Commissioner

Respondent:



Mark A. Trewitt
Individually

Approved as to Form:



Clinton Edgar
Deputy Securities Commissioner



Brittanie R. Jones
Attorney
Registration Division