

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 83697 / July 24, 2018

INVESTMENT ADVISERS ACT OF 1940
Release No. 4976 / July 24, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18615

In the Matter of

JACK JARRELL,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Jack Jarrell (“Jarrell” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in paragraph III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. From December 2013 through January 2017, Jarrell was an investment adviser representative with OAG Wealth Management, LLC, an investment adviser that was registered with the State of Washington. Jarrell is the managing member, chief compliance officer, and owns at least 75% of OAG. Jarrell, 52 years old, is a resident of Snohomish, Washington.

2. On July 9, 2018, a final judgment was entered by consent against Jarrell, permanently enjoining him from future violations of Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act"), Section 15(a)(1) of the Exchange Act, and Sections 206(1) and 206(2) of the Advisers Act, in the civil action entitled Securities and Exchange Commission v. Providence Financial Investments, Inc., et al., Civil Action Number 16-cv-1877, in the United States District Court for the District of Minnesota.

3. The Commission's complaint in that matter alleged that beginning at least as early as 2011, Providence Financial Investments, Inc. ("PFI") and Providence Fixed Income Fund, LLC ("PFIF") raised more than \$64 million from more than 400 investors in the United States through the sale of unregistered promissory notes. The complaint further alleged that PFI and PFIF promised to pay investors annual returns generally ranging from 12% to 13% and represented to investors that their investment proceeds would be used to fund the "factoring" of accounts receivable in Brazil. Contrary to those representations, PFI and PFIF diverted significant portions of investor proceeds to uses other than investing in factoring transactions. PFI and PFIF produced records to the Commission's staff indicating that they "deployed," at the most, just over 67% of investors' money to their purported factoring operations in Brazil, but neither company has been able to demonstrate that those funds were actually fully invested in factoring transactions.

4. The complaint also alleged that from at least 2012 through 2016, Jarrell offered and sold unregistered promissory notes issued by Providence Financial Investments, Inc. ("PFI") and Providence Fixed Income Fund, LLC ("PFIF") to investors without being registered as a broker-dealer or associated with a registered broker-dealer. Jarrell sold notes to investors with whom he had an investment advisory agreement in place.

5. The Commission's complaint further alleged that: (a) Jarrell offered and sold the unregistered promissory notes issued by PFI and PFIF when he was not registered as a broker-dealer or associated with a registered broker-dealer; (b) Jarrell offered and sold the unregistered notes when he was an investment adviser representative with OAG; (c) Jarrell offered and sold the unregistered notes to individuals with whom he had an investment advisory agreement in place; and (d) Jarrell did not disclose the significant compensation he earned for selling the unregistered notes to any note purchasers, including note purchasers with whom he had advisory agreements in place.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Jarrell's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, and Section 203(f) of the Advisers Act, that Respondent Jarrell be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Jarrell be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Brent J. Fields
Secretary