

FINRA Bars Ex-Cetera Broker for Stealing Funds to Buy Mutual Fund Shares for Relative

The Financial Industry Regulatory Authority has barred former Cetera Advisors broker, Marianne O'Shee Smith, who was accused of converting \$45,100 from three senior customers to purchase mutual fund shares for her relative.

According to FINRA, between January 2018 and February 2021, three Cetera Advisors customers gave Smith 10 checks totaling \$45,100 made payable to a mutual fund company affiliated with the firm. The customers, all senior citizens, directed Smith to use the checks to fund their mutual fund investments.

FINRA claims that Smith instead used the checks to purchase mutual fund shares for one of her family members without the customer's knowledge or consent. She reportedly wrote her family member's mutual fund account number and the fund ticker symbol on the check, which she then sent to the mutual fund company to be credited towards her relative's account. After discovering Smith's misconduct, she was involuntarily terminated by Cetera, and the customers were reimbursed in full.

According to her BrokerCheck profile, Smith, who had 34 years of industry experience, spent four years at Cetera Advisors before her termination in June 2021. She was previously affiliated with Investors Capital Corp, First Wall Street, Edward Jones, among others.

According to her settlement letter, Smith accepted FINRA's industry bar without admitting or denying the allegations.

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Cetera Hires Former FINRA Director as General Counsel

Cetera Financial Group, the second-largest independent financial advisor network in the nation by number of advisors, has hired former FINRA director David A. Greene to serve as general counsel. Greene succeeds outgoing general counsel Brian Stern, who announced that he would be leaving the company earlier in the year. Stern will continue at Cetera through a transition period.

Greene previously served as FINRA's Los Angeles district office director and has nearly three decades of experience as a practicing attorney, 19 of which were within the financial services industry.

As Cetera's general counsel, Greene will serve as a member of the executive management team as the company's chief legal officer. He will advise the board and management team on legal and regulatory matters and help design and implement programs that facilitate compliance and governance practices. In addition, Greene will preside over legal issues involving Cetera member firms.

"David's extensive knowledge of the broker-dealer space and experience as a leader within one of the country's largest regulatory networks make him an ideal candidate to help structure our ongoing legal and compliance framework," said Ben Brigeman, Cetera's chairman and interim chief executive officer.

He added, "In an era of unprecedented regulatory complexity, the ability to anticipate and prepare for the unexpected is increasingly at the heart of a successful corporate strategy. Firms that have access to the industry's top legal talent are the ones best positioned to thrive in the years ahead."

Prior to his role as Los Angeles district office director, Greene served as deputy and regional chief counsel for FINRA's West region, where he presided over a high-profile enforcement docket from the Los Angeles district office and supervised counsels and processes in Los Angeles, San Francisco, Denver and Seattle.

Greene will be based at the company headquarters in El Segundo and will report directly to Cetera's chairman of the board and interim chief executive officer, Ben Brigeman.

Cetera Financial Group is a network of independent retail firms that include Cetera Advisors, Cetera Advisor Networks, Cetera Investment Services (marketed as Cetera Financial Institutions), Cetera Financial Specialists, First Allied Securities and Summit Brokerage Services.

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Cetera to Acquire Assets of Foresters' Brokerage and Advisory Business

Cetera, a network of independent broker-dealer firms, has entered into a definitive agreement to purchase select assets of Foresters Financial's U.S. broker dealer and advisory

business. The transaction expected to close late in the second quarter of 2019. Financial terms were not publicly disclosed.

As part of the asset purchase agreement, Cetera will be permitted to invite Foresters' approximately 500 independent financial advisors to join its self-clearing platform.

Cetera will also have the option to assume the leases of the 40-plus branch office locations throughout the United States, as well as make offers to a substantial portion of the employees of the brokerage and advisory business, who will be expected to continue to play key roles in the growth of the business and support of its advisors.

The business will operate as a distinct division of Cetera, with a separate and distinct management team led by Sean Casey, reporting to LeAnn Rummel, president of Cetera Investment Services.

"When Foresters Financial decided to continue to focus and invest in its core life insurance business, it sought a firm that it felt would best offer its national network of diverse and client-centric financial advisors a path for continued growth," said Rummel. "Cetera was the right firm, for a number of reasons, including the breadth of our product solutions and proven track record of helping advisors grow their businesses."

Cetera was advised on these transactions by Deutsche Bank Securities Inc.

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Cetera Adds Teacher-Founded Credit Union to Platform

Cetera, a network of independent broker-dealer firms, has added Rogue Credit Union's Investment Services to the Cetera Financial Institutions platform.

Rogue is a not-for-profit, cooperative financial institution, based in Medford, Oregon that supports more than \$181 million in client assets. The credit union serves approximately 135,000 members through a network of more than 20 branches with an asset base of over \$1.5 billion.

In recent Cetera news, [Robert Moore will be stepping down](#) as the company's chief executive officer, effective March 31, due to health reasons. He will continue to serve as an advisor to the board and the executive management team, and chairman Ben Brigeman will expand his role to include interim CEO while a formal search for a permanent CEO is conducted.

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Cetera Advisor Networks Adds \$2.5 Billion OSJ

Cetera Financial Group, a network of independent broker-dealer firms, announced that North Ridge Wealth Planning, a full-service wealth management firm based in Melville, New York, has joined Cetera Advisor Networks LLC. North Ridge supports more than \$2.5 billion in client assets and is now part of Cetera's regional model as an independent financial advisor group.

North Ridge is led by president and chief executive officer Dan Levy, along with chief operating officer L. Matthew Levy, and executive vice president Sandra J. Grinspan, and has been in business for nearly 30 years.

"We experienced Cetera's responsiveness and direct access to senior leadership firsthand through our selection process. Compared with the handful of the other largest broker-dealers in the country that we evaluated, Cetera's specialty focus and hands-on support stood out above the rest," said Dan Levy.

[In recent Cetera news](#), Robert Moore will be stepping down as the company's chief executive officer, effective March 31, due to health reasons. He will continue to serve as an advisor to the board and the executive management team, and chairman Ben Brigeman will expand his role to include interim CEO while a

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Robert Moore Steps Down as CEO of Cetera, Cites Health Reasons

Cetera, a network of independent broker-dealer firms, announced that Robert Moore is stepping down as its chief executive officer, effective March 31, due to health reasons. He will continue to serve as an advisor to the board and the executive management team.

Chairman of the board Ben Brigeman will expand his role to include interim CEO while a formal search for a permanent CEO is conducted. Brigeman will be supported by the office of the president, which includes company president Adam Antoniades, chief financial officer Jeff Buchheister, and chief human resources officer Jeannie Finkel.

“It has been an incredible privilege to have had the opportunity to lead Cetera during this important period of

transformation and resurgence,” said Moore. “Recently I have been dealing with a health issue that has continued to require treatment and, on advice of my physician, now warrants that I cut back on my current commitments which is essential to my overall recovery.”

He added “This led to one of the most difficult decisions of my professional career and one that has engendered many mixed emotions. I am truly fortunate to be surrounded by family, friends and colleagues who support me and care about my health. I have full faith in Cetera’s management team, which I believe to be the best in the business, to continue to steer the company to a successful future.”

The company noted each member of its management team has between 20 and 35 years of experience in financial services and their respective fields.

Cetera became an independent, privately held organization following the pre-planned bankruptcy of its former parent company, RCS Capital Corp in 2016. Robert Moore took over as chief executive officer in September 2016 after the departure of Larry Roth, who saw Cetera through the bankruptcy process.

Cetera has retained search firm Heidrick & Struggles to begin a search for a new CEO.

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Husband-Wife Team Join Cetera from Ameriprise

Cetera, a network of independent broker-dealer firms, announced that husband-and-wife financial advisory team, Joseph and Pamela Malara, have joined the Cetera Investment Services platform. The Malara team joins Cetera from Investment Professionals, which Ameriprise agreed to acquire early last year.

The Malara's have approximately \$180 million in client assets and wealth management services through two banks in Louisiana: The Bank of St. Francisville, a local bank with \$135 million in total assets, and Peoples Bank of Pointe Coupee Parish, a regional bank with \$285 million in total assets.

The pair work with approximately 700 retail clients, providing financial planning, retirement, insurance and investment management services

"Joe and Pam Malara have built a strong and growing practice by serving as a consistent source of sound, independent financial guidance to their clients for more than 20 years," said LeAnn Rummel, president of Cetera Investment Services. "They exemplify the client-first, service-oriented approach that Cetera seeks to model, and we are thrilled that they have joined our platform."

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Cetera Hires Former LPL Exec as a Community Financial Institution Director

Cetera, a network of independent broker-dealer firms, has hired Brian Neyland as an independent program manager servicing banks, credit unions and independent advisors in Texas, Oklahoma and New Mexico, and independent advisors in New York.

The company said that one of Neyland's key objectives is to consult with financial institutions in helping them grow and expand their wealth management programs. The investment management programs and advisors he will oversee collectively manage more than \$3 billion in assets under administration.

Neyland joins from LPL Financial, where he was a business consultant and program manager in a multi-state territory, consulting and overseeing financial institutions and independent advisor offices with nearly 100 advisors and \$3 billion in AUA.

"We're excited to welcome Brian Neyland, who has built an exceptional track record in attracting bank and credit union wealth management programs of all sizes to platforms like ours, while partnering closely with program managers and advisors to achieve successful growth of their businesses,"

said LeAnn Rummel, president of Cetera Investment Services.

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Cetera Forms New Board of Directors

Cetera Financial Group, the second-largest independent financial advisor network in the nation by number of advisors, has formed its new board of directors, after selling a majority stake of its business to private equity firm Genstar Capital in July.

The new board members include Ben Brigeman, Gary Michel and Hal Strong, as well as Genstar executives Sid Ramakrishnan and Tony Salewski, and Cetera's chief executive officer Robert Moore.

"With the war for talented and experienced leadership continuing to intensify throughout the financial services space, the addition of these five exceptional executives to our team immediately brings Cetera a deeper level of operational insight and strategic guidance than we have ever had before," said Moore. "We look forward to continuing to

expand our board with additional professionals of the highest caliber of skills and expertise in the future.”

Brigeman, who serves as chairman of the Cetera board, is a former executive vice president for Charles Schwab & Co., as well as former head of Schwab’s individual investor (retail) business. He serves on Genstar Capital’s non-employee strategic advisory board and is a member of the board for Ascensus, Apex Group, and Institutional Shareholder Services. He is also president and CEO of Brigeman Enterprises; board member of Surgical Theater LLC; and chairman of the advisory board for Stratos Wealth Partners.

Michel is the former chief financial officer of TravelClick, a former Genstar portfolio company. He also served as CFO of Register.com, a provider of web services to small and mid-sized businesses. Michel is a member of Genstar’s strategic advisory board.

Strong is the former vice chairman of Russell Investments, and also served as its chief operating officer, CFO, head of alternative investments and head of investment banking during his 18-year career at the company. He serves on Genstar’s strategic advisory board and is a member of the board of directors of Altegris, Apex Group, ISS, Mercer Advisors, and Strategic Insight.

Salewski, managing director of Genstar Capital, was the former chief of staff for Barclays Global Investors, where he executed strategic initiatives for that firm’s executive committee. He was an associate at Hellman & Friedman LLC before joining Barclay’s.

Ramakrishnan, vice president of Genstar Capital, previously served as chief of staff to the CEO at former Genstar portfolio company AssetMark and led corporate strategy for the company. He previously worked in the investment banking division of Morgan Stanley.

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Cetera Financial Launches Advisor Alignment Program

Cetera Financial Group, a network of independent firms with nearly 8,000 financial advisors, has launched its advisor alignment program, which includes engagement opportunities, investment in advisor growth through two types of loans, and an equity value participation framework.

As part of the advisor engagement strategy, Cetera created new enterprise action committees across the following areas of the organization: marketing, communication and events; risk and advocacy; technology and innovation; advisor growth; service and operational excellence; and advisor lifecycle planning and diversity.

Each committee includes two chairs and an implementation manager from its respective department, and 6-12 advisors with a two-year tenure.

Additionally, advisors can participate in Cetera's enterprise-

level advisor engagement council, which is chaired by CEO Robert Moore and includes meetings with the board at least twice a year.

The company also created two types of growth-oriented loans that can be used for lead generation initiatives and succession planning. Finally, the firm has unveiled an equity value participation program for new and existing advisors.

“Our three-pronged approach unifies advisors, shareholders, employees, and clients alike behind common goals,” said Moore. “Advisors have had past opportunities to participate in the direction and growth of organizations like ours, but that opportunity has been limited to the top producing advisors. We are creating opportunities in which a greater number of existing and new advisors are incentivized to participate and ensuring that their influence is an integral part of our mutual success.”

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Cetera Financial Group Adds

Two Executives to Business Development Team

Cetera Financial Group, the second-largest independent financial advisor network in the nation by number of advisors, has added two new executives, Jeffrey Bottorff and Kevin Frank, to its business development team.

Bottorff, who serves as Cetera's division manager for business development, will focus on supporting business development efforts at the Cetera network level. With more than 20 years of industry experience, he most recently served as vice president of business development for Kestra Financial, leading all business development efforts for the southern region.

Prior to Kestra, Bottorff spent 14 years at LPL Financial in a number of roles, including senior vice president of business development. Bottorff has also held a number of executive positions at Lincoln Benefit Life Company and 1st Global. He holds a bachelor's degree in economics from Texas A&M University.

"The addition of these seasoned executives to our firm reflects our continued focus on attracting, retaining and growing financial advisors who share our vision of a profession that prioritizes the client's best interests, day in and day out," said Michael Murray, Cetera's head of business development.

Frank was named senior recruiter for Cetera's Mid-Atlantic region, which includes Indiana, Ohio, Pennsylvania and New Jersey, and will focus on identifying and attracting financial advisors from this region to the Cetera platform. With nearly 18 years of experience, he most recently served as a retirement consultant with Allianz Life Financial Services LLC

and was previously a regional marketing director for Lincoln Financial Distributors.

Frank has held executive positions with AXA Distributors, Mitchell Hutchins Asset Management, and Fidelity Investments. Frank has a bachelor's degree in management and marketing from Clemson University, and holds FINRA Series 7, 6, and 63 securities licenses.

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Cetera Launches Advisor Equity Participation Program, Succession Planning Funding Program

Cetera Financial Group, the second-largest independent financial advisor network in the nation by number of advisors, will be launching two new advisor initiatives: an advisor engagement and equity participation strategy and a succession planning funding program.

Cetera's advisor equity participation program was designed to support the alignment of interests among Cetera, its advisors and their clients, the company said. Cetera said that the program "provides advisors with ongoing upside in the development of the business as a whole, encouraging stakeholders at every level of the company and its advisors to focus on sustaining long-term growth."

The succession planning funding program was designed to facilitate M&A transactions between independent financial advisor practices, including purchases of advisor practices not currently on the Cetera platform.

The initiatives were announced at last week's Connect18 national conference in San Antonio, the first gathering of advisors and home office executives from across the Cetera network.

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Cetera Acquired by Private

Equity Firm Genstar Capital

After months of speculation, Cetera Financial Group, the second largest independent broker-dealer in the nation, has agreed to sell a majority stake of its business to private equity firm Genstar Capital, with Cetera's leadership team maintaining "a meaningful ownership position," the company said. The transaction is subject to regulatory approval and is expected to close in the late third quarter of 2018. Terms of the deal were not disclosed.

Cetera network of six independent broker-dealer firms is comprised of Cetera Advisors, First Allied Securities, Brokerage Services, Cetera Advisor Networks, Cetera Financial Institutions, and Cetera Financial Specialists.

Going forward, Cetera will continue to operate under a multi-affiliation structure, through two channels – traditional and specialty – that will serve independent advisor businesses and financial institutions.

"Working alongside Genstar, our entire organization will continue to serve our advisor community by advancing our Advice-Centric Experience, which envisions a profession driven by high-caliber, planning-based advice for clients," said Robert "RJ" Moore, CEO of Cetera. "This is a unique time in our profession, when the need and desire for financial advice is at its greatest. We believe there continues to be significant opportunities for Cetera to be a compelling leader in the delivery of that advice."

In addition to Moore, the new board will include Genstar managing partner Tony Salewski and vice president Sid Ramakrishnan, as well as Ben Brigeman, former executive vice president for Charles Schwab & Co., and Hal Strong, former vice chairman of Russell Investments.

Earlier this year, Bloomberg and other industry publications

reported that Cetera was exploring a potential sale that could command up to \$1.5 billion and had tapped investment banks to explore its options.

In February, Cetera disclosed a capital structure review and confirmed the retention of Goldman Sachs & Co. LLC to support the review process. At the time, the company said that the objective of the review was to optimize its capital structure, lower costs, and maximize continued investments.

Cetera became an independent, privately held organization following the pre-planned bankruptcy of its former parent company, RCS Capital Corp in 2016. Moore took over as chief executive officer in September 2016 after the departure of Larry Roth, who saw Cetera through the bankruptcy process.

RCS Capital was hit hard after it was revealed in October 2014 that American Realty Capital Properties, another company controlled by RCAP founder Nicholas Schorsch, intentionally left a \$23 million accounting error uncorrected. The bankruptcy terms included a recapitalization by RCS Capital's first and second lien lenders.

Genstar Capital is based in San Francisco and has approximately \$10 billion in assets under management and targets investments focused on targeted segments of the financial services, industrial technology, healthcare and software industries.

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Cetera Launches Web-Based 401(k) Training Program

Cetera Financial Group, a network of six independent broker-dealer firms, has launched a 401(k) practice development program for advisors currently serving retirement plans and those seeking to expand into this market.

The program was developed with Nationwide Financial and retirement plan advisory consultancy KnowHow 401(k), and features six live web-based training sessions held over the course of three months, covering topics such as marketing, business planning and meetings with plan sponsors.

“Cetera’s vision for empowering advisors to provide objective holistic guidance echoes in everything we do. This extends far beyond simply providing advice about investments to providing support for sponsors of and participants in company retirement plans – which, for many Americans, represent their most significant savings vehicle,” said Tim Stinson, head of wealth management for Cetera.

He added, “With plan sponsors increasingly searching for solutions that can help them meet their fiduciary responsibilities and maximize participant engagement, our new 401(k) practice development program provides both experienced advisors and those new to this market with the knowledge and tools they need to address these opportunities confidently and expand their retirement plan businesses.”

The training sessions will be conducted by KnowHow 401(k) founder and managing director Chris Barlow and are free for Cetera advisors. Enrolled advisors will also have access to KnowHow 401(k)’s resource center and will receive support during and after the program from Cetera’s retirement plan solutions consulting team to implement the strategies taught

during the sessions, the company said.

Jon Anderson, Cetera's head of retirement services, said "The response so far has been tremendous, with approximately 250 advisors attending each of our first couple of live training sessions and providing overwhelmingly positive feedback. We are very excited to work alongside Nationwide Financial and KnowHow 401(k) to bring this vital new offering to our advisors."

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LPL and Advisor Group Parent Among Potential Cetera Buyers

LPL Financial and Advisor Group-owner Lightyear Capital are showing interest in buying Cetera Financial Group's network of six independent broker-dealer firms, according to a report published yesterday by Investment News' Bruce Kelly.

Citing anonymous sources close to the matter, Kelly reported that both firms signed confidential nondisclosure agreements to "access Cetera's proprietary information in order to perform due diligence for a possible merger."

Earlier this year, Bloomberg and other industry publications reported that Cetera was exploring a potential sale that could command up to \$1.5 billion and had tapped investment banks to explore its options.

Shortly thereafter, Cetera disclosed a capital structure review and confirmed the [retention of Goldman Sachs & Co. LLC](#) to support the review process. At the time, the company said that the objective of the review was to optimize its capital structure, lower costs, and maximize continued investments.

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Cetera became an independent, privately held organization following the pre-planned bankruptcy of its former parent company, RCS Capital Corp in 2016. Robert Moore took over as chief executive officer in September 2016 after the departure of Larry Roth, who saw Cetera through the bankruptcy process.

RCS Capital was hit hard after it was revealed in October 2014 that American Realty Capital Properties, another company controlled by RCAP founder Nicholas Schorsch, intentionally left a \$23 million accounting error uncorrected. The bankruptcy terms included a recapitalization by RCS Capital's first and second lien lenders.

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Cetera Appoints Former LPL Exec to Lead Business Development

Cetera Financial Group, a network of six independent broker-dealer firms, has appointed Michael Murray to the role of head of business development.

Murray, who brings 20 years of experience in the financial advice space, most recently served as senior vice president of business development at LPL Financial, where he led a team of professionals supporting the recruiting and ramp-up of assets under management for financial advisors across the country. In his new role, Murray will report directly to Cetera chief marketing officer Michael Zuna.

“The addition of Michael Murray as Cetera’s new head of business development brings aboard one of the most talented leaders in our profession, at a time when our company is ready to take the next step in our vision of transforming the future of financial advice,” Robert Moore, chief executive officer of Cetera.

In his new role, Murray will assume the day-to-day leadership and management of Cetera’s network level business development function, while overseeing a planned expansion of the business development team over the coming months, to include the hiring of new professional recruiters across the country.

Additionally, Murray will spearhead the execution of the company’s new approach to business development, while supporting in-branch recruiting among the company’s larger affiliated enterprises and institutions by helping to provide them with the expertise, resources and tools to accelerate the growth and success of their advisor recruiting efforts.

Cetera said that it “expects its new business development process will enable the company to approach advisors who are pre-screened for receptivity to its value proposition, logistically able to transition their businesses in relatively short order, and who already approach their profession in a way that is highly consistent with Cetera’s ‘Advice-Centric Experience’ model.”

Cetera also plans to streamline its advisor transition structure for a “faster and more simplified experience for newly recruited advisors.”

Murray worked at LPL Financial since 2002 in a variety of business development executive roles. Prior to joining LPL Financial, he served in a number of sales executive and project management roles at Nationwide and Towers Perrin. He has a bachelor’s degree in international relations from the University of Pennsylvania and holds FINRA Series 6 and 63 securities registrations.

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First Allied Affiliate Acquires \$105 Million Massachusetts Advisory Firm

Bloomfield Hills Financial, an independent financial planning and wealth management advisory affiliate of First Allied Securities with \$1.5 billion in client assets, has acquired Thomson Financial Management, a Northampton, Massachusetts-based firm with approximately \$105 million in advisory and brokerage assets.

First Allied Securities is an independent broker-dealer and member of the Cetera Financial Group, which facilitated and funded the transaction.

“We are delighted to have supported Bloomfield Hills Financial in its acquisition of Thomson Financial Management,” said Richard Whitworth, Cetera’s managing director of business consulting. “Cetera is pleased to make significant funding and strategic resources available to our advisors as they seek to build their businesses organically and through acquisitions of like-minded firms.”

Bloomfield Hills Financial was founded in 1999 by company president Kevin VanDyke and specializes in customized investment management and asset allocation, retirement planning, insurance, education planning, and estate planning for retirees and pre-retirees.

The firm is based in Bloomfield Hills, Michigan, with locations in Arizona, California, Colorado, Texas and Massachusetts, in addition to its three Michigan offices.

Going forward, Thomson Financial’s Northampton, Massachusetts office will continue to operate under the Thomson Financial Management brand. The company’s founder, Eva Thomson, plans to

transition into retirement over the next 12 to 24 months.

In a related move, Bloomfield Hills Financial has recruited advisor Nicholas Cantrell to lead its new Massachusetts location. Cantrell was named one of America's top millennial advisors for 2017 by Forbes Magazine.

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Cetera Discloses Capital Structure Review, Retains Goldman Sachs

Cetera Financial Group, a network of six independent broker-dealer firms, has disclosed a capital structure review and confirmed the retention of Goldman Sachs & Co. LLC to support the review process.

The company says that the objective of the review is to optimize its capital structure, lower costs, and maximize continued investments.

While Cetera has not confirmed any potential strategic alternatives, Bloomberg and industry publications reported that [the company was exploring a potential sale](#) that could command up to \$1.5 billion and had tapped investment banks to explore its options.

Robert Moore, CEO of Cetera, said, “Our recent financial success and robust business performance coupled with the future trajectory of our profession, make this the opportune time to review our capital structure.”

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Cetera became an independent, privately held organization following the pre-planned bankruptcy of its former parent company, RCS Capital Corp in 2016. Robert Moore took over as chief executive officer in September 2016 after the departure of Larry Roth, who saw Cetera through the bankruptcy process.

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Cetera Financial Group is the second-largest independent financial advisor network in the nation by number of advisors, as well as a leading provider of retail services to the investment programs of banks and credit unions.

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Cetera Exploring Possible Sale

Cetera Financial Group, a network of six independent broker-dealer firms, is reportedly engaging investment banking firms to explore its capital structure options, including a possible sale.

While Cetera has not confirmed any potential strategic alternatives, *Investment News* reported that the company is exploring a potential sale that could fetch up to \$1.5 billion.

“Like all healthy companies that seek to sustain their trajectory of success, we continuously examine ways to enhance our capital management structure to best align it with our ability to reinvest in our business and create added value for our advisors and other stakeholders,” a Cetera spokesperson said. “Beyond this, as a privately-held company, we do not publicly discuss or disclose details related to our capital structure.”

The broker-dealer network is comprised of Cetera Advisors, First Allied Securities, Brokerage Services, Cetera Advisor Networks, Cetera Financial Institutions, and Cetera Financial Specialists.

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The bankruptcy terms included a recapitalization by RCS Capital's first and second lien lenders, resulting in substantially all of the equity of the company being owned by the Carlyle Group, Fortress Capital and Eaton-Vance.

In other Cetera news, the [company recently launched](#) a two-channel organizational structure where its six firms will be organized under "traditional" and "specialty" channels. The traditional channel supports ensemble practices, producer groups and smaller advisory practices, while the specialty channel supports larger teams, financial institution-based wealth management programs, and advisors with roots in tax advisory work.

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Cetera Launches New Organizational Structure and Leadership Changes

Cetera Financial Group, a network of independent broker-dealer firms, has launched a new two-channel organizational structure where its six firms will be organized under the newly-created "traditional" and "specialty" channels while keeping each firm's brand, service model and culture.

The traditional channel, led by Brett Harrison, includes

Cetera Advisors, First Allied Securities and Summit Brokerage Services and will support ensemble practices, producer groups and smaller advisory practices. Summit Brokerage Services will continue to be headed by Marshall Leeds, its CEO.

The specialty channel, which includes Cetera Advisor Networks, Cetera Financial Institutions, and Cetera Financial Specialists, will support large teams, financial institution-based wealth management programs, and advisors with roots in tax advisory work.

Tom Taylor will lead the specialty channel and will continue to serve as CEO and president of Cetera Advisor Networks, while LeAnn Rummel will remain president of Cetera Financial Institutions, and Gregg Ruvoli will continue to serve as president of Cetera Financial Specialists.

“The launch of our traditional and specialty channels is a logical outgrowth of our recruiting and retention success last year, which was driven by enhanced advisor support from increased collaboration among our network firms,” said Cetera CEO Robert Moore.

He added, “This step not only furthers our mission to redefine what it means to deliver financial advice, but also reflects Cetera’s distinctive ability to serve financial advisors under business and affiliation structures that require a specialty set of resources, expertise and support to help fuel their success.”

In a related move, Cetera recruited Mimi Bock to serve as president of both Cetera Advisors and First Allied Securities. Most recently, Bock served as executive vice president, national sales and consulting at LPL Financial.

Cetera appointed Catherine Bonneau, most recently CEO of Cetera Financial Institutions, to the role of chief operating officer for Cetera Financial Group.

Tim Stinson, who previously served as national sales manager for wealth management, was promoted to the newly-created position of Cetera's head of wealth management.

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