

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
LEONARD D. SELLERS

PETITION FOR ORDER

Respondent.

File No. S-07058(LX)

The staffs of Bureau of Licensing & Compliance and the Bureau of Registration & Enforcement, of the Division of the Securities, Department of Financial Institutions, State of Wisconsin have conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats., and as a result thereof allege as follows:

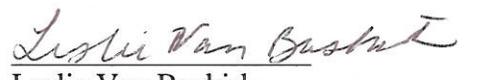
1. Leonard D. Sellers ("Sellers") is a licensed investment adviser representative (CRD #2306259) with Sellers Asset Management Group LLC (IARD #139831) with a last known business address of 6121 Greenbay Road, Suite 270, Kenosha, WI 53142;
2. Sellers Asset Management Group LLC ("Sellers Asset") is a Wisconsin Licensed Investment Adviser firm. The firm was licensed on July 21, 2006;
3. On October 3, 2006, DS signed an investment advisory agreement with Sellers Asset Management;
4. On October 9, 2006, DS, an investment advisory customer of Sellers, wrote a personal check to Sellers in the amount of \$92,200.20;
5. On May 3, 2007, Sellers signed a promissory note agreeing to repay the loan to DS in 10 years at 9% interest. Payment was to begin on October 2007;
6. As part of his application for a Wisconsin Investment Adviser License, Sellers signed an "Investment Adviser Understanding of Supervisory Responsibilities Regarding Wisconsin Uniform Securities Law and Administrative Code." As part of the undertaking he indicated that he would have procedures in place to ensure compliance with all requirements of Wisconsin law that are applicable to the type of business transacted by the applicant;
7. Item 9. of the undertaking specifically addresses DFI-Sec. 5.06(6), Wis. Adm. Code, "Borrowing money or securities from, or lending money or securities to, a customer;"

8. Sellers' action in borrowing funds from his customer is deemed pursuant to DFI-Sec. 5.06(6), Wis. Adm. Code to be a "dishonest or unethical business practices" or "taking unfair advantage of a customer" and provides a basis, pursuant to sec 551.34 (1)(g), Wis. Stats., for the censure or suspension of an investment adviser representative license;
9. In Sellers' April 8, 2008 letter to the staff, he stated that he had purchased some items from the BA Estate and that he was paying her heirs JA and DA for those items. BA was a client of Sellers, her daughter JA was a client of Sellers and her son DA was a client of Sellers, while he was a licensed securities agent for Polar Investment Counsel Inc. The deferred payments made by Sellers to JA and DA constitute a loan from a customer;
10. Pursuant to sec 551.34(1)(g), Wis. Stats. and DFI-Sec 4.06 (2)(a), Wis. Adm. Code, borrowing money or securities from, or lending money or securities to, a customer of the agent or the broker-dealer that employs the agent is deemed a "dishonest or unethical business practices" or "taking unfair advantage of a customer" and provide a basis for the censure or suspension of an agent's license.

Therefore, the staffs of the Bureau of Licensing and Compliance and the Bureau of Registration and Enforcement Section petition the Administrator to suspend Sellers' securities agent license retroactively for 3 months and suspend his investment adviser representative license for a period of 3 months commencing on July 1, 2008 and ending on October 1, 2008.

DATED this 30th day of June, 2008.


Helen E. Kluever
Examiner
Bureau of Licensing & Compliance


Leslie Van Buskirk
Staff Attorney
Bureau of Registration & Enforcement