

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

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**In the Matter of  
BRADLEY G. NAGEL,**

**Respondent.**

**PETITION FOR CONSENT ORDER**

**File No. S- 229244**

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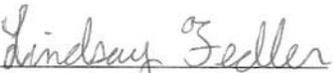
The staff of the Professional Registration & Compliance Bureau of the Division of Securities, Department of Financial Institutions, State of Wisconsin have conducted an investigation in this matter pursuant to Wis. Stat. § 551.602, and as a result thereof allege as follows:

1. Bradley G. Nagel (“Nagel”) (CRD #2586673) is a registered investment adviser representative with Nagel & Associates, LLC., doing business as Nagel Private Wealth Management (CRD#145458) with a last known business address of 2701 Larsen Road, Suite 227, Green Bay, WI 54303.
2. Nagel is the direct owner and managing member of Nagel & Associates, LLC (“N&A”). Nagel owns 100% of N&A. N&A was registered in Wisconsin on October 3<sup>rd</sup>, 2008.
3. Nagel hired Brian Versey (“Versey”), (CRD# 3140847), as an investment adviser representative of N&A in an independent contractor capacity on September 12, 2012.
4. Versey works out of a separate branch office of N&A located at W1799 Heathermor Drive, Sheboygan, WI 53083.
5. Nagel is designated as Chief Compliance Officer of N&A, and has a duty under DFI Sec. Rule 5.05(1) to establish supervisory procedures and a system for applying them to prevent and detect any violations of Wis. Stat. 551, and the rules and orders thereunder. He has a duty to supervise Versey and the Sheboygan branch office of N&A.
6. Per N&A’s Discretionary Investment Advisory Contract (“Contract”) for clients, Item 2 and Exhibit A provides N&A with custody, per DFI Sec. 5.035(4)(a)(2) of clients’ accounts by allowing Nagel to directly deduct his advisory fees. The fees are deducted on a monthly basis, per the Contract.
7. Under DFI Rule Secs. 5.035(1)(f) and 5.05(13), Nagel must send invoices to his clients concurrent with the time at which he deducted his fee from their account.
8. Nagel does not have specific supervisory procedures in place for the Sheboygan branch office to detect or prevent violations of Wis. Stat. 551, or rules promulgated thereunder in the Wisconsin Administrative Code. The lack of supervisory procedures does not comply with DFI Sec. 5.01(1) and Nagel’s fiduciary duty to his clients as an investment adviser.
9. Nagel has not sent invoices to his clients each month, concurrent with the direct deduction of N&A’s fee. Invoices have been sent out on a quarterly basis, which does not comply with N&A’s Contract with clients, his fiduciary duty to N&A’s clients, his supervisory duties as chief compliance officer of N&A under DFI. Sec. 5.01(1), and his custodial duties under DFI Sec. 5.035(1)(f) and 5.05(13).

10. The activity outlined in ¶¶ 8 and 9 constitutes a dishonest or unethical practice and a breach of fiduciary duty and is a basis for censure of his investment adviser registration (RA) pursuant to Wis. Admin. Code § DFI-Sec. 5.06(12) and Wis. Stat. § 551.412(4)(m).
11. Nagel is not pursuing a hearing and has consented to this order in cooperation with the Wisconsin Division of Securities, as of October 28, 2013.
12. Under Wis. Stat. § 551.412, the Administrator may censure a registration of a representative if it is in the public interest or for the protection of investors, as demonstrated above.
13. THEREFORE, the staff of the Professional Registration & Compliance Bureau petitions the Administrator to issue an Order of Censure to Bradley G. Nagel.

DATED this 31<sup>st</sup> day of October, 2013.

  
Deborah J. Fabritz  
Director  
Professional Registration & Compliance Bureau  
Division of Securities  
Wisconsin Department of Financial Institutions

  
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