

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Jasper E. Bidy IV (CRD No. 3212045), and
Legacy Wealth Management, LLC (CRD No. 133078),

Respondents.

ODS File No. 07-098

ORDER AGAINST JASPER E. BIDDY IV

Pursuant to Section 1-410 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003), the Examinations Division of the Department conducted an inspection of Legacy Wealth Management, LLC ("Legacy") and Jasper E. Bidy IV ("Bidy") (collectively, "Respondents") for the time period January 1, 2006, through April 30, 2007. Based thereon, the Enforcement Division of the Department filed an *Enforcement Division Recommendation to Revoke and Summarily Suspend Registrations* with the Administrator on July 20, 2007 ("Recommendation").

To resolve the allegations set forth in the Recommendation, the Parties entered into an *Agreement*, effective October 10, 2007 ("2007 Agreement"). Pursuant to the 2007 Agreement, a Final Order was issued against Respondents on October 10, 2007 ("2007 Order"). Subsequently, the Parties executed the *First Amendment to Agreement*, effective February 14, 2008 ("First Amendment"), and the *Second Amendment to Agreement*, effective June 12, 2008 ("Second Amendment").

Bidy remained in non-compliance with paragraph 6 of the 2007 Agreement, as amended by the First Amendment and the Second Amendment, in excess of sixty (60) consecutive days. As of the Effective Date of this Agreement, the 2007 Agreement, the First Amendment, and the Second Amendment are null and void with respect to Bidy, pursuant to paragraph 10 of the 2007 Agreement, as amended by the First Amendment. In lieu of proceeding to a hearing on the Recommendation, the Bidy voluntarily executed the Agreement relating to Jasper E. Bidy, IV that is attached hereto as "Attachment A" and incorporated herein by reference ("Agreement").

This Order is issued pursuant to Section 1-411 of the Act. The Administrator hereby adopts the Findings of Fact and Conclusions of Law set forth below.

Findings of Fact

1. In November 2004, Legacy registered under the Act as an investment adviser. At all times material hereto, Legacy's principal office and place of business has been located at 609 South Kelly Avenue in Edmond, Oklahoma ("Legacy's Office").

2. In November 2004, Bidy registered under the Act as an investment adviser representative of Legacy.

3. As part of the 2007 Examination, the Department reviewed the advisory fees charged by Respondents in forty-six (46) customer accounts. The advisory fees charged, during the time period January 1, 2006 through December 31, 2006, in sixteen (16) of the reviewed accounts ("Relevant Accounts") exceeded the annualized fee to be charged according to the *Legacy Wealth Management, LLC Investment Advisory Agreement* ("IA Agreement") signed by the respective accountholder(s).

4. Respondents charged eleven (11) of the Relevant Accounts advisory fees in excess of three percent (3%). Such fees exceed the industry standard, in addition to the annualized fees stated in the IA Agreements, and are unreasonable.

5. Respondents attempted to conceal from the Department their over-billing of advisory fees by altering many of the Relevant Accounts' statements they provided to the Department and by not providing a portion of the Relevant Accounts' statements to the Department for purposes of the 2007 Examination.

6. Respondents altered the account statements by removing all, or part, of the "journal" transactions described as management fees from the "Other Debit and Credit Activity" and "Chronological Recap of above Monthly Activity" sections of the statements. Respondents altered account statements for eight (8) of the Relevant Accounts.

7. Respondents failed to provide the Department with access to several of the statements for the Relevant Accounts. The missing statements for the Relevant Accounts should contain the same type of "journal" transactions for the payment of advisory fees that Respondents removed from other account statements.

To the extent any of these Findings of Fact are more properly characterized as Conclusions of Law, they should be so considered.

Conclusions of Law

1. Respondents willfully engaged in dishonest and unethical practices by doing the following in violation of 660:11-7-42 of the Rules: (a) misrepresenting the annualized advisory fees to be charged in the Relevant Accounts in the IA Agreements signed by the accountholders; (b) charging certain of the Relevant Accounts unreasonable advisory fees; and (c) altering account statements of the Relevant Accounts.

2. Respondents impeded a representative of the Administrator from conducting an audit or inspection under Section 1-410 of the Act by failing to provide access to certain account statements for the Relevant Accounts and by later submitting altered account statements for the Relevant Accounts to the Examinations Division, in violation of Section 1-410 of the Act and 660:11-7-45 of the Rules.

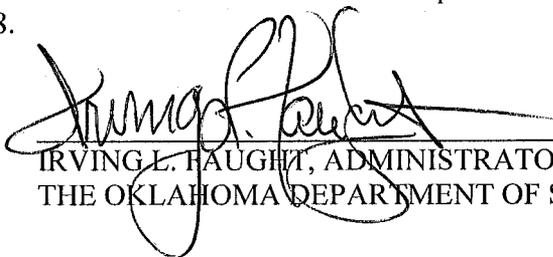
3. Respondents engaged in an act, practice, and course of business that operated as a fraud and deceit upon the accountholders of the Relevant Accounts, in violation of Section 1-502 of the Act.

To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

NOW THEREFORE, IT IS HEREBY ORDERED that the investment adviser representative registration of Bidy is revoked, and Bidy is barred from transacting business in and/or from the state of Oklahoma as an investment adviser, investment adviser representative, broker-dealer, and/or agent.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 24th day of September, 2008.

(SEAL)

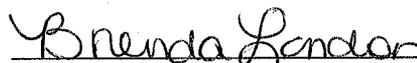


IRVING L. HAUGHT, ADMINISTRATOR OF
THE OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 24th day of September, 2008, a true and correct copy of the above and foregoing *Order against Jasper E. Bidy IV* was mailed, with postage prepaid thereon, addressed to:

Mr. Jasper Bidy
17520 Charter Pines Drive
Monument, CO 80132



Brenda London, Paralegal

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
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In the Matter of:

Jasper E. Bidy IV (CRD No. 3212045), and
Legacy Wealth Management, LLC (CRD No. 133078),

Respondents.

ODS File No. 07-098

AGREEMENT RELATING TO JASPER E. BIDDY IV

THIS AGREEMENT is entered into between Jasper E. Bidy IV ("Bidy") and the Administrator ("Administrator") of the Oklahoma Department of Securities ("Department") (collectively, "Parties") as of the Effective Date set forth below.

Pursuant to Section 1-410 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003), the Examinations Division of the Department conducted an inspection of Legacy Wealth Management, LLC ("Legacy") and Bidy (collectively, "Respondents") for the time period January 1, 2006, through April 30, 2007. Based thereon, the Enforcement Division of the Department filed an *Enforcement Division Recommendation to Revoke and Summarily Suspend Registrations* with the Administrator on July 20, 2007 ("Recommendation").

To resolve the allegations set forth in the Recommendation, the Parties entered into an *Agreement*, effective October 10, 2007 ("2007 Agreement"). Pursuant to the 2007 Agreement, a Final Order was issued against Respondents on October 10, 2007 ("2007 Order"). Subsequently, the Parties executed the *First Amendment to Agreement*, effective February 14, 2008 ("First Amendment"), and the *Second Amendment to Agreement*, effective June 12, 2008 ("Second Amendment").

Bidy remained in non-compliance with paragraph 6 of the 2007 Agreement, as amended by the First Amendment and the Second Amendment, in excess of sixty (60) consecutive days. As of the Effective Date of this Agreement, the 2007 Agreement, the First Amendment, and the Second Amendment are null and void with respect to Bidy, pursuant to paragraph 10 of the 2007 Agreement, as amended by the First Amendment. In lieu of proceeding to a hearing on the Recommendation, the Parties have executed this Agreement.

Bidy desires to expeditiously settle this matter without the adjudication of any issue of law or fact. Bidy voluntarily waives his right to a hearing provided by the Act, the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities, and the Oklahoma Administrative Procedures Act, and any right to appeal.

NOW THEREFORE, the Parties hereto agree as follows:

1. **2007 Agreement.** Bidy remained in non-compliance with paragraph 6 of the 2007 Agreement, as amended by the First Amendment and the Second Amendment, in excess of sixty (60) consecutive days. As of the Effective Date of this Agreement, the 2007 Agreement, the First Amendment, and the Second Amendment are null and void with respect to Bidy, pursuant to paragraph 10 of the 2007 Agreement, as amended by the First Amendment.

2. **Order.** The Administrator will issue an order in the form attached hereto as "Attachment A."

3. **Revocation.** The investment adviser representative registration of Bidy shall be revoked, and Bidy shall be barred from transacting business in and/or from the state of Oklahoma as an investment adviser, investment adviser representative, broker-dealer, and/or agent.

4. **Jurisdiction.** The Administrator has jurisdiction over Respondents and the subject matter of this action.

5. **Consideration.** In consideration for this Agreement, the Administrator will not take any further action against Bidy for any conduct that was alleged in the Recommendation to have occurred prior to July 23, 2007, and/or any of the conduct that was a part of the investigation and/or disciplinary proceedings and/or suspension of Bidy.

6. **Failure to Comply.** If Bidy fails to comply with this Agreement in any material respect, the Administrator shall proceed against Bidy as authorized by law.

7. **Entire Agreement; Amendment.** This writing constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations, and understandings of the Parties. No supplement, modification, or amendment to this Agreement shall be binding unless executed in writing by each of the Parties hereto.

8. **Limitation on Agreement.** Nothing in this Agreement shall prohibit the Administrator from furnishing information to any other properly constituted agency or authority. In the event any other agency or authority commences an action in connection with information obtained by the Administrator against Respondents, the Administrator may assist in such actions as authorized by law.

9. **Effective Date.** This Agreement shall be effective as of the date on which it is signed by the Administrator as set forth below his signature hereto.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year set forth below their signatures hereto.

JASPER E. BIDDY IV

Jasper E. Biddy, IV
Date: 9-8-2008

Address: 17520 Charter Pines Drive
Monument CO 80132

OKLAHOMA DEPARTMENT OF SECURITIES

By: Irving L. Faught
Irving L. Faught, Administrator

Date: September 24, 2008

**STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
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OKLAHOMA CITY, OKLAHOMA 73102**

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Witness my Hand and the Official Seal of the Oklahoma Department of Securities this ____ day of _____, 2008.

(SEAL)

IRVING L. FAUGHT, ADMINISTRATOR OF
THE OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF SERVICE

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