

BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE  
OF THE STATE OF IDAHO

STATE OF IDAHO, Department of  
Finance, Securities Bureau,  
Complainant,

vs.

Gold Mountain Management, LLC  
(CRD No. 150644)

& Gregorry Alyn Bied  
FKA Gregory Alan Bied  
(CRD No. 2072430)

Respondents.

Docket No. 2014-7-08

AGREEMENT AND ORDER

The Director of the Department of Finance has examined the investment advisory activities of Respondent Gold Mountain Management, LLC (GMM) & Respondent Gregorry Alyn Bied (Bied). Pursuant to said examination, it appears to the Director that violations of the Uniform Securities Act (2004), Idaho Code §30-14-101 et seq., have occurred. The Director and Respondents have agreed to resolve this matter without a public hearing. Therefore, the Director deems it appropriate and in the public interest that this Agreement and Order be entered.

Respondents consent to the entry of this Agreement and Order.

RESPONDENTS

1. Respondent Bied is the qualifying officer and compliance officer of Respondent GMM, an Idaho registered investment adviser firm.

AGREEMENT AND ORDER - 1

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2. Respondent GMM is general partner of Del Rey Management, L.P. (the Fund). Respondent GMM's principal office is located at 877 West Main Street, Suite 600 in Boise, Idaho.

### BACKGROUND

3. Respondent Bied has been in the securities industry for approximately twenty years with past registrations in New York and California.

4. Respondent Bied has been a registered investment adviser in Idaho since January 1, 2010.

5. Prior to organizing GMM, Respondent Bied conducted his investment advisory activities through AGB Partners, LLC. Without admitting or denying the SEC's findings, AGB Partners LLC and Bied agreed to entry of an SEC Cease and Desist Order and paid more than \$60,000 in disgorgement, interest and penalties for alleged violations of Rule 105 of Regulation M.

6. Respondents were the subject of an Agreement and Order issued by the Department (Docket No. 2010-7-05) for material omissions to the Department in Respondents' registration application and transacting business as an investment adviser without being registered in Idaho.

7. Respondents are currently under investigation by the SEC for possible misrepresentations to investors. The SEC investigation is not yet complete.

8. A lawsuit was filed against the Respondents during July 2014 by an investor in the Fund alleging fraud, negligence, concealment and breach of fiduciary duty. This event was not disclosed to the Department as noted in item #12.

9. Complainant conducted an investment adviser examination of Respondent GMM during February 2014. The Department's examination findings letter was delayed due to non-receipt of requested financial information. On July 10, 2014, the Department issued a findings letter, without having received audited financial statements, citing violations of the Investment Advisers Act of 1940, and the Idaho Uniform Securities Act (2004). Complainant's findings letter also alleged a repeat deficiency from the Complainant's previous examination in 2011. Respondents provided a response on August 20, 2014 addressing each of the alleged violations.

10. Respondents filed with Complainant a Form ADV-W on December 22, 2014 in an attempt to withdraw the registration without disclosing adverse material facts including a pending lawsuit concerning alleged misrepresentations to an investor as noted in item #12.

#### ALLEGED VIOLATIONS

11. Respondents falsified earnings reports to Fund investors, and therefore violated Idaho Code §30-14-502. Idaho Code § 30-14-502(a)(2) provides that it is unlawful for a person that advises others for compensation, either directly or indirectly or through publications or writings, as the value of securities or the advisability of investing in, purchasing or selling securities or that, for compensation and as part of a regular business, issues or promulgates analyses or reports relating to securities, to engage in an act, practice or course of a business that operates or would operate as a fraud or deceit upon another person.

12. Respondents filed an update to Form ADV on August 19, 2014 which failed to disclose a legal action filed in a California court by an investor in the Fund on July 29, 2014 including Respondent Bied, Respondent GMM and the Fund as Defendants. IDAPA

12.01.08.089.05(c) requires an amendment to Form ADV within 30 days of a legal action.

Respondents never have disclosed the legal action in Form ADV.

13. Idaho Code § 30-14-505 stipulates that it is unlawful to make or cause to be made, a statement that, at the time and in light of the circumstances under which it is made, is false or misleading in a material respect, or, in connection with the statement, to omit to state a material fact necessary to make the statement made, in the light of the circumstances under which it was made, not false or misleading. Respondents failure to disclose the California lawsuit in the Form ADV amendment dated August 19, 2014 constitutes a misleading filing in violation of the Act.

14. Respondents violated IDAPA 12.01.08.089.05 by not promptly updating Form ADV with notice of a pending SEC investigation. The SEC initiated its investigation on June 2, 2014, however Respondent Bied did not update the Form ADV until August 19, 2014. IDAPA 12.01.08.089.05 requires an amendment filing within thirty days of the event.

15. Respondents failed to deliver the GMM brochure as required by IDAPA 12.01.08.095. This was discovered during Complainant's examination of Respondents on February 26, 2014 and was a violation noted in the Complainant's previous examination findings letter dated August 31, 2011.

16. Respondent Bied failed to conduct an annual compliance review. IDAPA 12.01.08.093 requires compliance with books and records rules under the Investment Advisers Act of 1940 Act. Annual review of the Firm's compliance policies and procedures is required under 17 CFR 275.206(4)-7(b) of the Investment Advisers Act of 1940 and documentation of the annual review is required under 17 CFR 275.204-2(17)(ii).

17. Respondents violated the Department's previous Agreement & Order by failing to

comply with provisions of the Idaho Uniform Securities Act (2004) and Rules Pursuant to the Idaho Uniform Securities Act (2004) as noted in items #11-#16.

AGREEMENT, ACKNOWLEDGEMENT & REMEDIES

18. Respondents neither admit nor deny the alleged violations contained in items #11-#17 of this Agreement and Order.

19. Respondents represent that they have ceased operations as an investment adviser, ceased operation of the Fund, and its general partner GMM, completed the liquidation of all of the Fund's investments and distributed proceeds to the Fund's investors.

20. Respondents agree to pay to Complainant a civil penalty of \$1,000.00.

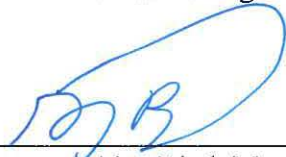
21. Respondents registration in Idaho is considered terminated.


22. Respondents agree not to pursue registration in any capacity under the Idaho Uniform Securities Act (2004) for a period of <sup>seven (7)</sup> ~~ten (10)~~ years or, if longer, the length of any bar imposed by the Securities Exchange Commission on Respondents upon completion of the SEC's pending investigation and any resulting administrative or judicial proceedings.


AGREED AND DATED at Boise, Idaho this 13<sup>th</sup> day of April 2015.

Gold Mountain Management, LLC

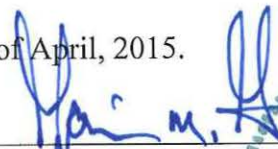
By:

  
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Gregory Alyn Bied, Managing Member

Name:   
Gregorry Alyn Bied

  
James Burns  
Bureau Chief, Securities Bureau  
Department of Finance, State of Idaho

IT IS SO ORDERED this 20<sup>th</sup> day of April, 2015.

  
Gavin Gee  
Director of Finance  
Department of Finance, State of Idaho

