



Government of the District of Columbia
Vincent C. Gray, Mayor
Department of Insurance, Securities and Banking



Chester A. McPherson
Interim Commissioner

IN THE MATTER OF:)	
)	
)	<u>SC # SB-CO-15-13</u>
KBR Capital Markets, LLC)	
)	
Respondent)	
_____)	

**PROPOSED DEFAULT JUDGMENT
AND ORDER OF REVOCATION**

The Hearing Officer enters a Proposed Default Judgment and Order of Revocation against Obsidian Financial Group, LLC. (“Respondent”), based upon the finding of facts and conclusions of law contained herein:

PROPOSED FINDING OF FACTS

1. KBR Capital Markets (“Respondent”) is a licensed broker-dealer (CRD# 128800) in the District of Columbia.
2. On September, the Financial Industry Regulatory Authority (“FINRA”) cancelled Respondent’s registration for failure to meet FINRA qualification requirements.
3. On December 11, 2013, the Department issued a Notice to Show Cause, Order No. SB-SC-16-13 (“Notice”) based on allegations by the Department’s Securities Bureau that Respondent had violated a provision of the District of Columbia’s Securities Act of 2000, effective September 29, 2000 (D.C. Law 13-203; D.C. Official Code §§ 31-5601.01 et seq. (2001)) (“Act”).
4. The Notice was mailed via Unites States Postal Service using Certified Mail with Tracking on December 12, 2013 to the address contained in the Respondent’s licensing files. A Proof of Delivery was received by the Department on December 23, 2013.
5. No answer or other defense was filed by the Respondents.

PROPOSED CONCLUSIONS OF LAW

The documentation presented by the Department's counsel reflected that due notice of the hearing and charges against Respondent were mailed to her by the Department at her last known residential, mailing and business addresses of record, and that a Domestic Return Receipt Card was returned documenting receipt of the Notice at the address of record.

Therefore the Department has satisfied the service requirements of 26B DCMR § 304. The Respondents failed to appear at their hearing or to attempt to contact either the Hearing Officer or the counsel for the Department.

Furthermore, by their failure to appear and defend this matter, the Respondents did not dispute the allegations in the Department's action.

Therefore, given the evidence presented and the conclusions of law of this Hearing Officer, the Department's Notice to Show Cause shall be deemed as admitted, and the broker-dealer license of Respondent can be Revoked.

PROPOSED ORDER

Based upon the record and the foregoing facts, it is hereby

ORDERED: That a DEFAULT DECISION BE, AND HEREBY IS, ENTERED against the Respondent for failing to appear; and it is

FURTHER ORDERED: That Respondent's broker-dealer license, CRD# 128800, BE, AND HEREBY IS, REVOKED.

3/11/2014
Date



Lisa D. Butler
Hearing Officer

IN THE MATTER OF:)

KBR Capital Markets, LLC)

Respondent)
_____)

)
)
) SC # SB-CO-15-13
)
)
)

FINAL ORDER

Upon consideration of the Proposed Order for Default Judgment in the above captioned matter and the entire record herein, **IT IS HEREBY ORDERED** that a **DEFAULT DECISION IS ENTERED** against the Respondent for failing to appear. **IT IS FURTHER ORDERED THAT** That Respondent's broker-dealer license, CRD# 128800, BE, AND **HEREBY IS, REVOKED.**



A handwritten signature in blue ink, appearing to read "Chester A. McPherson", written over a horizontal line.

Chester A. McPherson
Interim Commissioner
Department of Insurance, Securities and Banking
Dated: This 13th day of March, 2014

cc:

KBR Capital Markets, LLC
960 Waverly St.
Palo Alto, CA 94301-2741

Lilah R. Blackstone
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