STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
204 NORTH ROBINSON, SUITE 400
OKLAHOMA CITY, OK 73102-7001

In the Matter of:

Pentecost Capital Management, Inc. (CRD #106078) and
C. Daniel Pentecost (CRD #1066678),

Respondents.

AGREEMENT

This Agreement is entered into among Pentecost Capital Management, Inc., C. Daniel Pentecost (collectively, "Respondents"), and the Administrator of the Oklahoma Department of Securities (the "Administrator" and "Department") (collectively, the "Parties").

On August 3, 2020, the Enforcement Division of the Department initiated an administrative proceeding against Respondents by filing an Enforcement Division Recommendation (the "Recommendation") with the Administrator in support of the issuance of an order revoking Respondents' registrations under the Act for alleged violations of the Act and Rules as set forth in the Recommendation. The Recommendation alleged insolvency of Respondents and their engagement in unethical practices in the securities business. On the same day, based on the Recommendation, the Administrator issued an order summarily suspending Respondents' registrations pending a final determination of the administrative proceeding (the "Summary Order").

On August 21, 2020, Respondents filed answers to the Recommendation and Summary Order, including motions to dismiss, and requested hearings on the Recommendation and the Summary Order.

On September 3, 2020, the Administrator issued an order setting a hearing on the Summary Order to commence at 10:00 a.m. on September 18, 2020. The Administrator also ordered that a hearing officer, if appointed, make a recommendation to the Administrator to modify or vacate the Summary Order or extend the Summary Order until final determination.

On September 3, 2020, the Administrator further ordered that a hearing on the matters set forth in the Recommendation commence at 10:00 a.m. on November 18, 2020. The Administrator also ordered that a hearing officer, if appointed, prepare
a proposed order for submission to the Administrator when deemed appropriate under the circumstances.

On September 14, 2020, the Administrator issued an order, effective August 29, 2020, appointing Danné Johnson as the Hearing Officer to conduct the individual proceeding or proceedings in this matter, and delegating to her the authority to do all things necessary and appropriate to discharge the duties of Hearing Officer as set forth in 660:2-9-2(f) of the Rules.

A hearing on the Summary Order was held on September 18, 2020, before the appointed Hearing Officer. On September 28, 2020, the Hearing Officer filed her report and recommendations with the Administrator.

The Hearing Officer found that Respondents did not present information in their Answer to the Summary Order or present evidence during the hearing to refute the findings of fact and conclusions of law relating to the Respondents' insolvency and unethical practices set forth in the Recommendation and incorporated by reference in the Summary Order. The Hearing Officer, finding the issuance of the Summary Order to be within the Administrator's statutory authority, further found it to be in the public interest that the Respondents' registrations continue to be suspended until the final determination of the administrative proceeding.

The Hearing Officer recommended that Respondents' motion to dismiss the Summary Order be denied and that the suspensions of registration be extended until the final determination of the administrative proceeding.

On September 28, 2020, the Administrator issued an order denying Respondents' motion to dismiss the Summary Order and continuing the effectiveness of the Summary Order until final determination of the administrative proceeding, for which a hearing is scheduled to commence on November 18, 2020.

Respondents enter into this Agreement and waive their right to a hearing on the Recommendation and any right to an appeal under the Act, the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities, and the Oklahoma Administrative Procedures Act, Okla. Stat. tit. 75, §§ 250 through 323.

The Parties hereto agree as follows:

1. **Jurisdiction.** The Administrator has jurisdiction over Respondents and the subject matter of this Agreement.

2. **Order.** The Administrator shall issue an order in the form attached hereto has "Exhibit A" (the "Order").
3. **Reapplication.** Respondent Pentecost Capital Management voluntarily applied to withdraw its registration under the Act on September 10, 2020. Further, Respondents will not reapply for registration in any capacity under the Act.

4. **Public Statement.** Respondents shall not make any statement denying a finding of fact or conclusion of law contained in the Order to a client, the press, or a member thereof, or through social media.

5. **No Coercion.** Respondents enter into this Agreement voluntarily and without any duress, undue influence, or coercion by the Administrator, any employee of the Department, or any member of the Oklahoma Securities Commission. Respondents are represented by independent legal counsel in this matter.

6. **Public Record.** This Agreement is a public record and will be available for public examination, pursuant to Section 1-607 of the Act.

7. **Consideration.** In consideration for this Agreement, the Administrator will not take further action against Respondents in connection with the allegations set forth in the Recommendation except as provided for in paragraphs 8 and 9 below.

8. **Failure to Comply.** If Respondents fail to comply with this Agreement or the Order, the Administrator may take any action authorized by Section 1-411 of the Act or otherwise authorized by law.

9. **Limitation on Agreement.** Nothing in this Agreement prohibits 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 from the Administrator against Respondents, the Administrator may assist in such action as authorized by law.

10. **Entire Agreement.** This writing constitutes the entire Agreement of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous Agreements, representations, and understandings of the Parties. No supplement, modification or amendment to this Agreement is binding unless executed in writing by each of the Parties hereto.

11. **Applicability.** This Agreement applies only to the activities of Respondents, and to no others.
12. **Severability.** The parties intend as follows:

a) that if any provision of this Agreement is held to be unenforceable, then that provision will be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded; and

b) that if an unenforceable provision is modified or disregarded in accordance with this section, then the remainder of the Agreement will stay in effect as written.

13. **Counterparts.** If the Parties sign this Agreement in one or more counterparts, each will be deemed an original, but all counterparts together will constitute one instrument.

14. **Governing Law.** The laws of the state of Oklahoma, without giving effect to its principles of conflicts of law, govern all adversarial proceedings arising out of this Agreement.

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

Each party is signing this Agreement on the date stated immediately below that party's signature.

**PENTECOST CAPITAL MANAGEMENT, INC.**

By: [Signature]
C. Daniel Pentecost, President

Date: 10/28/30

**C. DANIEL PENTECOST, INDIVIVIDUALLY**

Date: 10/28/30
STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
204 NORTH ROBINSON, SUITE 400
OKLAHOMA CITY, OKLAHOMA 73102

In the Matter of:

Pentecost Capital Management, Inc. (CRD #106078) and
C. Daniel Pentecost (CRD #1066678),

Respondents.

ODS File 20-019

CONSENT ORDER


Findings of Fact

1. Pentecost Capital Management, Inc. (“PCM”) was registered under the Act as an investment adviser until its registration was summarily suspended on August 3, 2020.

2. C. Daniel Pentecost (“Pentecost”) was registered under the Act as an investment adviser representative of PCM until his registration was summarily suspended on August 3, 2020.

3. On August 3, 2020, the Enforcement Division of the Department initiated an administrative proceeding against PCM and Pentecost (collectively, “Respondents”) by filing an Enforcement Division Recommendation (“Recommendation”) with the Administrator in support of the issuance of an order revoking Respondents’ registrations under the Act for alleged violations of the Act and Rules as set forth in the Recommendation.

4. Based on the Recommendation, the Administrator issued an Order summarily suspending Respondents’ registrations on August 3, 2020.
5. On October 21, 2020, Respondents entered into an Agreement with the Administrator, the provisions of which are incorporated herein by reference, to include the Respondents' consent to the entry of this Order.

6. This Order is issued after notice and opportunity for hearing.

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. The Administrator is authorized under Section 1-411 of the Act to revoke Respondents' registrations under the Act.

2. It is in the public interest for the Administrator to revoke Respondents' registrations under the Act.

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

**Order**

**THEREFORE, IT IS HEREBY ORDERED** that the registrations of PCM and Pentecost under the Act as an investment adviser and investment adviser representative, respectively, are revoked.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 21\textsuperscript{st} day of October, 2020.

(SEAL)

MELANIE HALL, ADMINISTRATOR
OKLAHOMA DEPARTMENT OF SECURITIES
CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 21st day of October, 2020, a true and correct copy of the above and foregoing Consent Order was sent by First Class mail and email to:

By email only:

Terra Bonnell
tbonnell@securities.ok.gov

Amanda Cornmesser
acornmesser@securities.ok.gov

Counsel for the Oklahoma Department of Securities

By First Class mail and email to:

Gerald J. Lovoi
Attorney at Law
616 South Boston #403
Tulsa, OK 74119
glovoi@aol.com

Counsel for Respondents

Brenda London, Paralegal