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IN THE MATTER OF THE INVESTMENT §
ADVISER REGISTRATION OF ADVUE §
CAPITAL, LLC AND THE INVESTMENT §
ADVISER REPRESENTATIVE §
REGISTRATION OF §
SEBASTIAN AGUDELOISAZA §

Order No. IC-25-SUS-03

TO: Advue Capital, LLC (CRD No. 300061)
1001 West Loop South
Suite 810
Houston, TX 77027

Sebastian Agudeloisaza (CRD No. 6565033)
2000 Taylor St Apt 246
Houston, TX 77007

DISCIPLINARY ORDER

Be it remembered that Advue Capital, LLC ("Respondent Advue") and Sebastian Agudeloisaza ("Respondent Agudeloisaza"), (collectively, "Respondents") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this order ("Order"), the Findings of Fact, the Conclusions of Law, and the Undertaking contained herein.

OVERVIEW

From in or around July 2019 through December 2022 (the "Relevant Period"), Respondent Agudeloisaza recommended and sold two (2) private placement offerings: Advue Institute on Neuroplasticity Partners, LP ("ION Fund") and Rainmaker Capital Group, Inc ("Rainmaker"). Regarding ION Fund, Respondent Agudeloisaza facilitated the investments of seven (7) individuals into the fund, three (3) of whom were advisory clients. Respondent Advue received commissions in the amount of approximately \$77,265 for this investment but failed to update the Form ADV Part 2 or disclosure document provided to its clients to inform them in writing that Respondent Advue would receive fees in connection with the fund investments and promissory notes.

And Respondent Agudeloisaza was not registered as an agent or dealer with the Securities Commissioner at the time he sold the investments. Accordingly, Respondents have agreed to (1) a suspension of their registrations as an investment adviser and investment adviser representative with the Securities Commissioner, (2) repay all investors of the fund investment and promissory notes totaling seventy-seven thousand, two-hundred and sixty-five dollars (\$77,265) in fees received, and (3) abide by the Undertaking contained herein.

FINDINGS OF FACT

1. Respondents have waived (a) Respondents' rights to notice and hearing in this matter; (b) Respondents' rights to appear and present evidence in this matter; (c) Respondents' rights to appeal this Order; and (d) all other procedural rights granted to the Respondents by The Securities Act, Tex. Gov't Code §§ 4001.001-4008.105 ("Texas Securities Act"), and the Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001-2001.903.
2. On February 22, 2021, Respondent Advue registered with the Securities Commissioner as an investment adviser. This registration is currently effective.
3. On February 22, 2021, Respondent Agudeloisaza registered with the Securities Commissioner as an investment adviser representative of Respondent Advue. This registration is currently effective.
4. Respondent Agudeloisaza is the co-owner and sole investment adviser representative of Respondent Advue.
5. In or around January 4, 2023, the staff of the Texas State Securities Board (the "Staff") initiated an inspection of Respondent Advue (the "Inspection") pursuant to Section 4007.052(a) of the Texas Securities Act.
6. As an investment adviser representative, Respondent Agudeloisaza services around seventeen (17) accounts across sixteen (16) clients by providing investment advice and recommending the purchase of securities.
7. During the Inspection, Staff found that beginning in or around July 2019 through December 2022 (the "Relevant Period"), two such securities Respondent Agudeloisaza recommended and sold to individuals were private placement offerings: Advue Institute on Neuroplasticity Partners, LP ("ION Fund") and Rainmaker Capital Group, Inc. ("Rainmaker").

The ION Fund

8. The Institute on Neuroplasticity, LLC ("ION LLC") is a limited liability company formed by a physician (the "Doctor") located in Houston, Texas.

9. ION LLC, also located in Houston, Texas, was created to treat veterans suffering from posttraumatic stress disorder, substance-use disorder, and their associated concomitant mental health disorders.
10. In or around early 2021, ION, LLC's principals, the Doctor and another physician ("2nd Doctor") (collectively, the "Doctors"), contacted Respondent Agudeloisaza to invest in funding construction and start-up costs for ION, LLC.
11. Respondent Agudeloisaza then formed Advue Institute on Neuroplasticity Partners, LP ("ION Fund"), a limited partnership created for investing in ION, LLC.
12. On May 26, 2021, Respondent Agudeloisaza facilitated the investments of seven (7) individuals into ION Fund.
13. Specifically, Respondent Agudeloisaza, by and through Respondent Advue, which was acting as general partner, executed a limited partnership agreement with the seven (7) individuals (the "Limited Partners")¹ for the purpose of "engag[ing] in the business of investing in [ION LLC] and such activities as are related or incidental thereto."² This Limited Partnership would be known as the ION Fund.
14. Notably, three (3) of the Limited Partners were also investment advisory clients of Respondents.
15. The ION Fund partnership agreement stated that the general partner, Respondent Advue, would be compensated with a two percent (2%) fee for initial set up of the investment and a three percent (3%) ongoing management fee of ION Fund's assets ("ION Assessed Fees").
16. And on May 27, 2021, ION Fund and ION LLC entered into a different agreement (the "ION Agreement") wherein the Limited Partners would purchase units of profit participation to raise capital for ION LLC.
17. The ION Agreement stated that ION LLC would sell, transfer and deliver to ION Fund, and that ION Fund would purchase and acquire from ION LLC a number of units of profit participation at a price per unit equal to \$25,000.
18. The capital raised from the Limited Partners through the ION Fund was to be used for renovations of the planned outpatient center for veterans in Houston, Texas and for start-up costs and working capital for ION LLC.
19. In total, Respondent Agudeloisaza sold \$500,000 worth of the units of profit participation to the Limited Partners through the ION Fund.

¹ Respondent Agudeloisaza and Respondent Advue's other co-owner, are two (2) of the seven (7) limited partners. The other five (5) limited partners are family and friends of Respondents with three (3) of those limited partners also being investment advisory clients of Respondents.

² Section 1.2 Purpose of Partnership in the LP Agreement

20. In addition to the \$500,000 from the Limited Partners, Respondent Agudeloisaza sold four (4) promissory notes totaling around \$820,000.³
21. The money raised through the sale of the promissory notes was also to be used for renovations of the planned outpatient center for veterans in Houston, Texas and for start-up costs and working capital for ION LLC.
22. Three (3) of the promissory notes were between three (3) individuals and ION LLC and one (1) was between a single individual and ION Fund.
23. Notably, the three (3) promissory notes with ION LLC were unsecured. The promissory note with ION Fund was secured, however the collateral listed on the note was only defined as "the agreement between ADVUE ION PARTNERS LP and ION HOLDINGS LLC AND WARRIOR RECOVERY CENTER LLC." A copy of said agreement was not attached to the promissory note.
24. Respondent Advue received an origination fee or asset under management fee of five percent (5%) of the note amount (also "ION Assessed Fees") to be paid by the borrower.
25. In total, Respondent Advue received approximately \$40,000 for the sale of the promissory notes.
26. By August 2022, ION LLC was in default on the ION Agreement. Meaning, as of August 2022, none of the money had been used for the intended purposes as stated in the ION Agreement.
27. And then things got worse. From on or around November 2022 through early 2023, ION Fund decreased in value significantly.
28. Specifically, in November 2022 the fund had a value of \$500,000. Three months later, in February 2023, that value had dropped to \$300,000. And by March 2023, ION Fund's account balance was a meager \$11,000.
29. According to Respondent Agudeloisaza, the large drops in value were caused by the actions of the Doctor operating and managing the outpatient center for veterans for ION LLC. The Doctor mismanaged funds and transferred a substantial amount of funds into her personal account for payments as a salary to herself and to the 2nd Doctor.
30. Nothing in the ION Agreement allowed money to be taken from ION LLC for use in funding salaries for the Doctors or any other associates of the outpatient center. In other words, neither ION Fund nor its investors had any reason to believe that their money would be used to pay any salaries.⁴

³ None of the individuals who purchased the promissory notes were clients of Respondents.

⁴ On May 29, 2024, Respondent Agudeloisaza in his individual capacity and on behalf of ION Fund, and a number of promissory note holders, filed a breach of contract case alleging that the ION LLC Doctors defaulted on the ION Disciplinary Order/Advue Capital, LLC/Sebastian Agudeloisaza/Page 4

31. To date, ION LLC has neither serviced any patients nor satisfied any part of the ION Agreement.⁵

Rainmaker Capital Group, Inc.

32. Another private placement in which Respondent Agudeloisaza recommended to clients was Rainmaker Capital Group, Inc. ("Rainmaker").

33. Rainmaker is an artificial intelligence ("AI") generated proprietary software that was used to trade in the following market sectors: forex,⁶ spot metals, oil and gas, global indexes, commodities, and equities.

34. The AI generated proprietary software boasted that it mitigated risks and captured maximum profit on each trade through the use of its proprietary algorithms based on numerical deductions, economic fundamentals, and technical market analysis.

35. In or around July 2019, Respondent Agudeloisaza recommended that three (3) individuals invest in Rainmaker. Notably, one (1) of the three (3) individuals was an investment advisory client of Respondents.

36. Respondent Advue and its other co-owner also invested in Rainmaker—making it five (5) total individuals who invested \$450,000 in Rainmaker.

37. In December 2019, Rainmaker lost the entire \$450,000 while trading forex and currently has a value of \$0. As a result, all five (5) investors lost their entire investments.

Failures to Follow Firm-Imposed Requirements and to Update Form ADV

38. Once Respondent Agudeloisaza recommends a private placement investment opportunity to a client, Respondent Advue requires Respondent Agudeloisaza to complete a letter of intent ("LOI") stipulating the investment amount; execute an investment advisory contract with the individual; and provide wiring instructions to the individual.

39. LOIs were not completed for any of the seven (7) Limited Partners and investment advisory contracts were completed for only two (2) of the Limited Partners for ION Fund LP.

40. Notably, no LOIs were completed for any of the investors in Rainmaker.

Agreement. In connection with the case, ION Fund, Respondent Agudeloisaza, and the promissory note holders are requesting return of principal back to the limited partners and promissory note holders.

⁵ Nevertheless, according to Respondent Agudeloisaza, ION Fund remains an open and ongoing investment and has sued the Doctors and others for their misuse of ION Fund's investment money.

⁶ The foreign exchange market, also known as forex, is a global decentralized market for the trading of currencies and determines foreign exchange rates for every currency.

41. Additionally, Respondents did not have a record of any agreement between Respondents and Rainmaker. Nor did Respondents execute subscription agreements for investors of Rainmaker.
42. This meant that Respondents did not (1) record in writing, verification of the investor's accredited investor status⁷ and (2) provide the written terms for the investment, including risk disclosures for Rainmaker, to investors.
43. Investment advisers are also required to amend their Form ADV Part 2⁸ each year by filing an annual updating amendment within 90 days after the end of the investment adviser's fiscal year. Respondent Advue had not updated its Form ADV Part 2 since April 14, 2021.⁹
44. Item 5 of the ADV Part 2A specifically notes that compensation from the sales of securities should be disclosed in writing to investors. In fact, the instructions further indicate that an investment adviser should explain that this practice presents a conflict of interest and gives the adviser an incentive to recommend products based on the compensation received.
45. In total, Respondent Advue received approximately \$77,265 between May 25, 2021 through December 1, 2022 in connection with the ION Assessed Fees described in the ION Fund agreement and through promissory notes issued for ION LLC.
46. The Form ADV Part 2A for Respondent Advue that Respondent Agudeloisaza would have provided to clients during the Relevant Period contained nothing about the ION Assessed Fees¹⁰ that Respondent Advue received from ION Fund or the promissory notes.

Unregistered Activity

47. Respondent Agudeloisaza sold ION Fund units of profit participation at a time when Respondent Agudeloisaza was not registered as a dealer or agent of a dealer with the Securities Commissioner.
48. Respondent Agudeloisaza also sold the promissory notes at a time when Respondent Agudeloisaza was not registered as a dealer or agent of a dealer with the Securities Commissioner.

⁷ An individual qualifies as an accredited investor if the individual has a net worth over \$1 million, excluding primary residence (individually or with spouse or partner) and income over \$200,000 (individually) or \$300,000 (with spouse or partner) in each of the prior two years, and reasonably expects the same for the current year.

⁸ The Form ADV Part 2 is the primary disclosure document that investment advisers provide to their clients. It contains information relating to advisory services, fees and expenses, conflicts of interest, disciplinary information, and the background of investment adviser representatives. The Form ADV Part 2 requires the disclosures to be made in an entirely narrative format and written in plain English.

⁹ Additionally, Respondent Advue failed to file a Form ADV Part 2B for Respondent Agudeloisaza. An investment adviser must prepare a brochure supplement for any investment adviser representative who formulates investment advice for a client and has direct client contact who has discretionary authority over a client's assets.

¹⁰ The ION Fund agreement disclosed in the term sheet to the limited partners that Respondent Advue would receive initial and ongoing fees.

49. And finally, Respondent Agudeloisaza also sold the interests in Rainmaker at a time when Respondent Agudeloisaza was not registered as a dealer or agent of a dealer with the Securities Commissioner.

UNDERTAKING

1. Respondent Agudeloisaza undertakes and agrees that within one hundred and eighty (180) days from the date this Order is entered, Respondent Agudeloisaza will pay \$77,265, an amount totaling the amount of ION Assessed Fees received by Respondent Advue for the sale of interests and promissory notes in ION, LLC, to all investors in ION, LLC (whether through the fund or through the purchase of a promissory note).
2. Respondent Advue further undertakes and agrees that within fifteen (15) days from the date the last payment is made pursuant to Item one (1), above, Respondent Advue will provide counsel of the Legal and Investigations Division of the Texas State Securities Board ("Counsel") with evidence that Respondent Advue has made the repayments. In the event any repayments are owed to Respondent Advue's owners, an affidavit by each owner identifying the owner and the amount of reimbursement owed to suffices to explain payments in an amount less than \$77,265 and the affidavits will also be provided to Counsel within fifteen (15) days.
3. Respondents undertake and agree that in connection with rendering services as an investment adviser and investment adviser representative, respectively, Respondents will not recommend the purchase of any alternative investment to any person or company for a period of five (5) years from the date this Order is entered by the Securities Commissioner.
4. Respondents further undertake and agree that that in connection with rendering services as an investment adviser and investment adviser representative, respectively, Respondents will not refer any client or prospective client to any investment adviser whom Respondents know acts as an investment adviser to any alternative investment or recommends alternative investments in connection with the rendering of services as an investment adviser¹¹ for a period of five (5) years from the date this Order is entered by the Securities Commissioner.
5. Respondents further undertake and agree to retain an independent outside consultant ("Compliance Consultant") that is not unacceptable to the Staff within one hundred and fifty (150) days of the date this Order is entered by the Securities Commissioner.

¹¹ Respondents acknowledge that, for the purpose of this Undertaking, "alternative investments" shall include: non-listed REITs, non-listed Business Development Companies, Private Placements, and any security sold in reliance of an exemption from the securities registration requirements under federal or state securities laws.

6. Respondents further undertake and agree to submit, at least ten (10) days prior to retaining a Compliance Consultant, a letter to Counsel identifying: the Compliance Consultant, the Compliance Consultant's experience in the securities industry, and all pre-existing personal and business relationships between the Compliance Consultant and Respondents.
7. Respondents further undertake and agree to require the Compliance Consultant to complete a review of Respondents' business activities ("Review") within one hundred and eighty (180) days from the date this Order is entered by the Securities Commissioner. The Review will examine Respondents' business activities to monitor for compliance with this Undertaking, Respondent Advue's procedures, and all securities laws.
8. Respondents further undertake and agree to require the Compliance Consultant to deliver to Respondents, within thirty (30) days of the Review, a report ("Report") describing the areas the Compliance Consultant reviewed and its findings and recommendations.
9. Respondents further undertake and agree to submit to Counsel within thirty (30) days of receiving the Report: (1) the Report; (2) a statement identifying all corrective measures taken by Respondents in response to the Report; and (3) a statement identifying the reason(s) for not following any of the Compliance Consultant's recommendations.
10. Respondents further undertake and agree that the Review and Report procedure described in Items 7, 8, and 9 of the Undertaking section of this Order will be conducted on a semi-annual basis to detect activity that may violate this Undertaking, Respondent Advue's procedures, or applicable securities laws for a period of two (2) years from the date that Respondents retain a Compliance Consultant.
11. Respondents further undertake and agree to notify legal counsel of the Legal & Investigations Division of the Texas State Securities Board ("Counsel") within ten (10) days upon receiving any written or oral complaints and report the initiation of any regulatory or civil actions within which Respondents' names appear or in which Respondents are otherwise involved.

CONCLUSIONS OF LAW

1. Respondent Advue's failures to follow its firm-imposed requirements to require that investment adviser representatives of Respondent Advue complete a letter of intent and investment advisory contract for individuals prior to investing in a private placement investment were failures to enforce a supervisory system reasonably designed to achieve compliance with applicable securities laws.

2. The aforementioned failures to enforce a supervisory system reasonably designed to achieve compliance with applicable securities laws constitute violations of §116.10 of the Board Rules.
3. Respondent Advue's failure to update the Form ADV Part 2 or disclosure document as part of any amendment or annual updating amendment within 90 days after the end of its fiscal year is a violation of §116.9(d) of the Board Rules.
4. Pursuant to Section 4007.105(a)(13)(B), the aforementioned violations of the Board Rules constitute bases for the issuance of an order suspending Respondent Advue's registration as an investment adviser with the Securities Commissioner.
5. Respondent Agudeloisaza's failures to follow the firm-imposed requirements that a letter of intent and investment advisory contract be completed for individuals prior to investing in a private placement investment were violations of the firm-imposed requirements and therefore constitute inequitable practices in rendering services as an investment adviser representative.
6. Pursuant to Section 4007.105(a)(3)(A) of the Texas Securities Act, the aforementioned inequitable practice in rendering services as an investment adviser and investment adviser representative constitute a basis for the issuance of an order suspending Respondent Agudeloisaza's registration as an investment adviser representative with the Securities Commissioner.
7. The units of profit participation sold, transferred, and delivered from ION LLC to ION Fund and issued by the ION Agreement are "securities" as defined in Section 4001.068 of the Texas Securities Act and Respondent Agudeloisaza's sales of the Units of Profit Participation constitute a "sale" of securities as defined by Section 4001.067 of the Texas Securities Act.
8. The promissory notes are "securities" as defined in Section 4001.068 of the Texas Securities Act and Respondent Agudeloisaza's sales of the promissory notes constitute a "sale" of securities as defined by Section 4001.067 of the Texas Securities Act.
9. The investments in Rainmaker Fund are "securities" as defined in Section 4001.068 of the Texas Securities Act and Respondent Agudeloisaza's sales of the investments in Rainmaker Fund constitute a "sale" of securities as defined by Section 4001.067 of the Texas Securities Act.
10. Respondent Agudeloisaza's sales of the units of profit participation issued by the ION Agreement, promissory notes, and investments in Rainmaker Fund to investors at a time when Respondent Agudeloisaza was not registered with the Securities Commissioner as a "dealer" or as an "agent" of a dealer, as those terms are defined by Section 4001.056 and 4001.052, respectively, of the Texas Securities Act, constitute violations of Sections 4004.051 and 4004.101, respectively, of the Texas Securities Act.

11. Pursuant to Section 4007.105(a)(13)(A) of the Texas Securities Act, the aforementioned violations of sections 4004.051 and 4004.101, respectively, of the Texas Securities Act constitute bases for the issuance of an order suspending Respondent Agudeloisaza's registration as an investment adviser representative with the Securities Commissioner.

ORDER


1. It is therefore ORDERED that the registration of Advue Capital, LLC, as an investment adviser with the Securities Commissioner is hereby SUSPENDED for a period of six (6) months.
2. It is further ORDERED that the registration of Sebastian Agudeloisaza as an investment adviser representative with the Securities Commissioner is hereby SUSPENDED for a period of six (6) months.
3. It is further ORDERED that Advue Capital, LLC and Sebastian Agudeloisaza COMPLY with the terms of the Undertaking contained herein.
4. It is further ORDERED that Sebastian Agudeloisaza CEASE AND DESIST from violating Sections 4004.051 and 4004.101 of the Texas Securities Act.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 30th day of April, 2025.



TRAVIS J. ILES
Securities Commissioner

Respondents:




Advue Capital, L^{CO}
By: Sebastian Agudeloisaza,
Owner




Sebastian Ag^Udeloisaza,
Individually

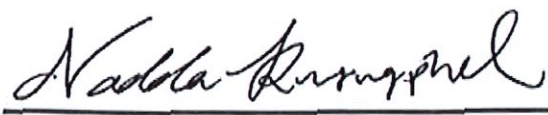
Approved as to Form:



Cristi Ochoa,
Deputy Securities Commissioner



Dawn Meade,
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Legal & Investigations Division