

**STATE OF NEW HAMPSHIRE
BUREAU OF SECURITIES REGULATION
DEPARTMENT OF STATE
CONCORD, NEW HAMPSHIRE**

IN THE MATTER OF:

Mascoma Wealth Management, LLC

Respondent

COM2020-0007

CONSENT AGREEMENT

I. For purposes of settling the above-referenced matter and in lieu of further administrative proceedings, Mascoma Wealth Management, LLC (hereinafter referred to as "MWM" or "Respondent"), has submitted an offer of settlement, which the Bureau of Securities Regulation, Department of State, State of New Hampshire (hereinafter referred to as "the Bureau") has determined to accept. Accordingly, without admitting or denying the facts and allegations contained herein, MWM does hereby consent to the entry of the Consent Agreement and to the following:

The Facts

1. MWM is a federally covered adviser located at 80 South Main Street, Ste 103, Hanover, New Hampshire. MWM's CRD number is 174907 and SEC number is 801-80982. MWM has been notice filed in New Hampshire since 2/19/2015. MWM used Fidelity Investments as custodian.
2. This matter arose from a complaint and an investigation conducted by the Bureau starting in January 2020. The complaint was related to MWM's handling of a transfer on death account. The account holder passed away in April 2019, but the MWM account was not closed out and distributed until November 2019.
3. The facts surrounding this matter are numerous, but the salient facts are as follows. A customer of MWM signed a transfer on death account form where upon his death the account assets would be transferred to his daughters the two named beneficiaries. The transfer on death form indicated that, "Fidelity reserves the right to require each beneficiary to open an account at Fidelity in order to facilitate transfer of the account's assets". The account holder passed in April 2019, but MWM did not follow-up with one of the beneficiaries until July 2019. This beneficiary was undecided on what to do with her assets, but she was told she had to open a Fidelity account to receive the assets. She was undecided on whether to do that and the matter sat unresolved until October 2019 when the beneficiary again contacted

MWM and asked a number of questions. The beneficiary believed she was not getting appropriate answers to her questions about the matter after speaking with MWM personnel and she filed a complaint with MWM in October 2019. The beneficiary decided to contact Fidelity directly and she was told by Fidelity she could transfer the assets directly into a Fidelity account without MWM as an intermediary to said account establishment which she did. That is when she learned that the mutual funds that had been transferred upon death had been liquidated and turned to cash by MWM in response to her communications in October 2019. There is no specific authorization for the liquidation by the beneficiary. In October 2019, she was also charged a management fee of \$199 by MWM without her consent.

4. At the time that this matter arose, MWM did not have any compliance policies and procedures in place that specifically addressed transfer on death accounts.

THE LAW

1. MWM is a “investment adviser” within the meaning of RSA 421-B:1-102(26).
2. Pursuant to RSA 421-B:5-502(b)(2)(D) and (J), [a] person who is an investment adviser or investment adviser representative is a fiduciary and has a duty to act primarily for the benefit of the person’s clients. While the extent of this duty varies..., an investment adviser or investment adviser representative should not engage in unethical business practices which constitute violation of subsection including the following, [p]lacing an order to purchase or sell a security for the account of a client without the authority to do so. Charge a client an unreasonable advisory fee. MWM is subject to this section.
3. Pursuant to RSA 421-B:4-412, the secretary of state can condition the license of an investment adviser. MWM is subject to this provision.
4. Pursuant to RSA 421-B:6-604(a)(1), the secretary of state may order any person in violation of 421-B to cease and desist. MWM is subject to this provision.
4. Pursuant to RSA 421-B:6-604(g), the secretary of state can assess costs of the investigation. MWM is subject to this section.

II. In view of the foregoing, the Respondent agrees to the following undertakings and sanctions:

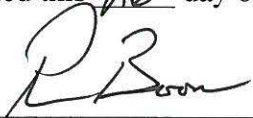
1. Respondent agrees that that they have voluntarily consented to the entry of this Consent Agreement and represents and avers that no employee or representative of the Bureau has made any promise, representation or threat to induce their execution.

2. Respondent agrees to waive their right to an administrative hearing and any appeal therein under this chapter.
3. Upon execution of this Consent Agreement by Respondent, Respondent agrees to pay costs in the amount of seven thousand five hundred dollars (\$7,500) to the State of New Hampshire. Payment shall be made by 1) United States postal money order, certified check, bank cashier's check, or bank money order; 2) made payable to the State of New Hampshire; and 3) hand-delivered or mailed to the Bureau of Securities Regulation, Department of State, State House, Room 204, Concord, New Hampshire, 03301.
4. The Respondent agrees to cease and desist from violations of RSA 421-B.
5. By executing this Consent, Respondent represents that it has instituted the compliance changes presented in the e-mail from Respondent's counsel dated 10/13/2020 as of the date hereof.
6. Respondent agrees to reimburse the beneficiary \$199, representing all management fees charged to the beneficiary upon execution of this Consent.
7. Respondent agrees that this Consent Agreement is entered into for purpose of resolving only the matter and issues as described herein and no other issues pending before the State of New Hampshire. This Consent Agreement shall have no collateral estoppel, res judicata, evidentiary, or other legal effect in any other lawsuit, proceeding, or action, not described herein. Likewise, this Consent Agreement shall not be construed to restrict the Bureau's right to initiate an administrative investigation or proceeding relative to conduct unrelated to this complaint.
8. The Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation in this Consent Agreement or create the impression that the Consent Agreement is without factual basis. Nothing in this provision affects the Respondent's testimonial obligations or right to take legal positions in litigation in which the State of New Hampshire is not a party.
9. Should Respondent violate this Consent Agreement, the Bureau may rescind the Consent Agreement without a hearing and institute formal enforcement proceedings under RSA 421-B.

Based on the foregoing, Respondent and the Bureau agree to the following:

1. Respondent will pay costs in the amount of seven thousand five hundred dollars (\$7,500) as stated above.
2. Respondent shall undertake to institute the compliance changes as stated above.
3. Respondent agrees to cease and desist from violating RSA 421-B.
4. Respondent shall reimburse the beneficiary for management fees in the amount of \$199.
5. Respondent shall comply with all undertakings.

Executed this 26 day of October, 2020.

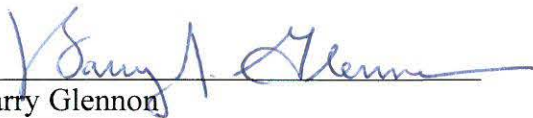


on behalf of MWM

Please print name below:

Robert Boon,
Managing Director

Entered this 2nd day of November, 2020.



Barry Glennon
Director