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STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:

BUSINESS DEVELOPMENT
CORPORATION OF AMERICA,

Respondent.

Case No. S-16-0027

FINAL ORDER TO CEASE AND
DESIST, FINAL ORDER
ASSESSING CIVIL PENALTY,
AND CONSENT TO ENTRY OF
ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter “the Director”), acting in accordance with the Oregon Securities Law, Oregon Revised Statutes (“ORS”) 59.005 to 59.451, 59.991 and 59.995, and Oregon Administrative Rules (“OAR”) chapter 441, has investigated the business activities of Business Development Corporation of America (“BDCA” or “Respondent”).

Respondent has cooperated with the Director’s investigation and wishes to resolve this matter with the Director;

Now, therefore, as evidenced by the signature subscribed herein, Respondent hereby CONSENTS to the entry of this Order.

FINDINGS OF FACT

The Director FINDS that:

The Respondent

1. Business Development Corporation of America (“BDCA”) is a Maryland corporation with a last known address of 405 Park Avenue, 14th Floor; New York, New

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 York 10022. Peter M. Budko is BDCA's Chairman and Chief Executive Officer.

2 *Background*

3 2. On or about January 25, 2011, BDCA commenced an initial public offering of
4 its common stock. In connection with that offering, on June 7, 2010, BDCA submitted an
5 application to the Director to register the securities by qualification in Oregon pursuant to
6 Oregon Administrative Rule ("OAR") 441-065-0020 (File 2010-666). On January 27,
7 2011, the Director issued an Order of Registration for the BDCA's securities.

8 3. In addition to offering shares of common stock, BDCA also allowed investors
9 the opportunity to participate in a plan (a "Distribution Reinvestment Plan," or "DRIP")
10 that would automatically to reinvest the full amount of any cash distribution in additional
11 BDCA common stock.

12 4. BDCA renewed the Order of Registration in 2012, 2013, and 2014.

13 5. On or about July 8, 2014, BDCA commenced a follow-on offering of its
14 common stock. In connection with that offering, on April 24, 2014, BDCA submitted an
15 application to the Director to register the securities by qualification in Oregon pursuant to
16 OAR 441-065-0020 (File 2014-746). On July 18, 2014, the Director issued an Order of
17 Registration for those securities.

18 6. On or about May 6, 2015, BDCA informed the Director that it had
19 discontinued the primary offering of the common stock, but would continue to make
20 distributions under the DRIP.

21 7. The Order of Registration for the DRIP shares expired on July 18, 2015.

22 *Sale of Unregistered Securities*

23 8. According to BDCA's quarterly report on Form 10-Q for the quarter ended
24 September 20, 2015, BDCA made distributions under the DRIP on September 1, 2015,
25 October 1, 2015, and November 2, 2015. BDCA also made distributions under the DRIP
26 on or about December 1, 2015 and January 4, 2016.



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CONCLUSIONS OF LAW

The Director CONCLUDES that:

9. The distributions of securities under the DRIP constitute the "sale" of securities as that term is defined under ORS 59.015(17)(a).

10. By making distributions under the DRIP between July 18, 2015 to January 2016, when the securities were not registered, BDCA violated ORS 59.055.

ORDERS

The Director issues the following ORDERS:

Final Order to Cease and Desist

11. In accordance with ORS 59.245, Respondent, and any successor or assign, is hereby ORDERED to CEASE AND DESIST from:

A. Selling unregistered securities in Oregon, in violation of ORS 59.055; and

B. Violating any provision of Oregon Revised Statutes chapter 59 or Oregon Administrative Rules chapter 441 promulgated thereunder

Final Order Assessing Civil Penalty

12. Pursuant to the authority under ORS 59.995, the Director may assess CIVIL PENALTIES in an amount not to exceed \$20,000 per violation against persons who violate the Oregon Securities Law. In the case of a continuing violation, each day's continuance is a separate violation, but the maximum penalty for any continuing violation shall not exceed \$100,000.

13. Pursuant to the authority under ORS 59.995(1), the Director hereby ORDERS Respondent to pay a CIVIL PENALTY in the total amount of \$5,000 (five thousand dollars) for violation of ORS 59.055. Respondent must pay the civil penalty in full at signing, prior to the entry of this Order.

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 14. This Order is a “Final Order” under ORS 183.310(6)(b). Subject to that
2 provision, the entry of this Order does not limit the remedies available to the Director
3 under Oregon law.

4 SO ORDERED this 18th day of February, 2016.

5 PATRICK M. ALLEN, Director
6 Department of Consumer and Business Services

7
8 /s/ Jean Straight, Deputy Director
9 Laura N. Cali, Administrator
10 Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER
BY BUSINESS DEVELOPMENT CORPORATION OF AMERICA

Business Development Corporation of America (“BDCA”) states that one or more of its employees and/or officers with appropriate authority has read this Order, fully understand its contents; consents to the entry of this Order, and will take any necessary steps to ensure that BDCA fully complies with the terms of the Order.

BDCA further states that it has been advised of its right to a hearing and voluntarily and without any force or duress expressly waives any right to a hearing in this matter.

BDCA understands that this Order is a public document.

Corinne Pankovcin is CFO and Managing Director of BDCA and is authorized to execute this Consent to Entry of Order on behalf of BDCA.

Business Development Corporation of America

By: /s/ Corinne Pankovcin
Corinne Pankovcin
CFO and Managing Director

State of New York

County of New York

Subscribed and affirmed before me by Corinne Pankovcin this 17th day of
February, 2016.

Megan Irene Brandt-Meyer
Notary Public

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