

ROBERT K. BUTTERFIELD*

Direct Dial 858 444-2312
rbutterfield@bsllp.com

*A PROFESSIONAL CORPORATION

April 14, 2010

Seth Hettena
seth@sethhettena.com

Re: Defamation Case
Our File No.: 2723.03

Dear Mr. Hettena:

In your blog entry entitled *Ray Lucia's brokerage settles SEC charges* on <http://sethhettena.com>, you make several statements about Raymond J. Lucia that I consider defamatory. To make defamatory statements against Raymond J. Lucia is unwarranted in this situation. Raymond J. Lucia is not involved in any way in the charges you refer to against First Allied Securities. Mr. Lucia owns 0% of First Allied Securities and is just one of over 1500 advisors associated with them. To defame Raymond J. Lucia because of the acts of Harold Jaschke that were unbeknownst to Mr. Lucia is unwarranted and malicious. You did this full knowing it was malicious and wrong. This is akin to saying that all members of any large organization are tainted by the bad acts of one person. Your blog entry gives Mr. Lucia and his companies a negative image, adversely affecting his reputation and business in San Diego. He has already had more than one call by a concerned client who read the blog. This letter serves as a demand for you to immediately cease making further defamatory statements about Raymond J. Lucia and to remove the blog entry from your website. Further legal action in terms of a suit for damages is still under consideration. I think \$300,000 in damages is warranted myself. Your statement that Mr. Lucia's company charges a management fee of 2% is completely false and is another intentional malicious act. His company has never charged a management fee of over 1% even though they have the ability to charge up to 2% - but you did not bother to check this - did you?

Please sign below acknowledging the request and return a copy of this letter to me via fax at 858.444.2345 to "Attn: Rob Butterfield". If you have any questions about this, please contact me.

Sincerely,



ROBERT K. BUTTERFIELD

RKB: al

cc: Raymond J. Lucia Companies, Inc.

Receipt is hereby acknowledged:

Dated: _____

Seth Hettena

[Contact](#) | [Subscribe](#) | [Tell-a-Friend](#)

SETH HETTENA

[The Author](#) | [Articles](#) | [Blog](#) | [Book](#) | [Links](#) | [Media](#)

« [Toyota sudden acceleration lawsuit in SD](#)
[Eric Massa's San Diego ties](#) »

Ray Lucia's brokerage settles SEC charges

First Allied Securities, a San Diego-based brokerage firm, has agreed to pay nearly \$2 million to settle charges that it failed to supervise one of its employees.

The SEC found that between 2005 and 2008, former First Allied broker Harold Jaschke engaged in unauthorized and unsuitable trading on behalf of two Florida municipalities, putting them at risk of losing millions of dollars while he reaped commissions of more than \$14 million for himself.

The SEC administrative order issued Friday hasn't attracted much interest locally, but it's worth a look because of its relationship with investor/radio host Ray "Buckets of Money" Lucia.

First Allied is owned by FAS Holdings, which is in turn owned by Chicago-based Advanced Equities Financial Corp. A 2008 story in Forbes magazine on Advanced Equities quoted an anonymous broker for the company as saying, "This place is a stereotypical bucket shop."

Advanced Equities is also the subject of a series of complaints filed with financial industry regulators by San Diego's Mirch Law Firm that mention Lucia, who hosts a radio and TV show in major media markets.

Lucia offers investment advice, including his trademarked "Buckets of Money" strategy through his show and at seminars, like this one in San Diego March 20 with actor Ben Stein.

According to SEC filings, Lucia solicits business for First Allied, and receives a cut of some of the fees in return. Fees for a Ray Lucia account run as high as 2 percent, paid quarterly *in advance*.

Buckets of money, indeed.

This entry was posted on Monday, March 8th, 2010 at 5:51 pm and is filed under [Business](#), [Finance](#), [San Diego](#). You can follow any responses to this entry through the [RSS 2.0](#) feed. You can [leave a response](#), or [trackback](#) from your own site.

Leave a Reply

Name (required)

Mail (will not be published) (required)

Website

Submit Comment