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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

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IN THE MATTER OF DETERMINING
Whether there has been a violation
of the Securities Act of Washington by:

Steven Richardson;

Respondent.

Order Number S-05-092-05-CO01

CONSENT ORDER

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INTRODUCTION

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On October 24, 2005, the Securities Division of the Department of Financial Institutions (“Securities Division”) entered a Statement of Charges and Notice of Intent to Enter Order to Deny Securities Salesperson Registration and Impose Fines and Costs S-05-092-05-SC01 (“Statement of Charges”) against the Respondent, Steven Richardson. The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing and an Application for Adjudicative Hearing were served on Steven Richardson on October 28, 2005. Steven Richardson agreed to repay the investor discussed in the Statement of Charges and on March 28, 2006, the Securities Division received notification that Steven Richardson had repaid the investor.

The Securities Division and Respondent do hereby agree to this CONSENT ORDER in settlement of the above captioned matter. Respondent neither admits nor denies the Findings of Fact or Conclusions of Law.

1 **FINDINGS OF FACT**

2 *Respondent*

3 1. Steven Richardson (“Richardson”) is an individual residing in Thurston County, Washington.

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5 *Nature of the Conduct*

6 2. Richardson was registered in the State of Washington as a securities salesperson from 1992
7 until 1994 with Intersecurities, Inc. and from 1994 until 2001 with WMA Securities, Inc. His securities
8 salesperson identification number (CRD #) is 2219221.

9 3. In 2000, Richardson told an investor residing in Thurston County, Washington (“Investor
10 A”), that he would invest her money in mutual funds.

11 4. Investor A was 75 years old and worried about her financial future.

12 5. On February 22, 2000, Investor A gave Richardson \$30,000 with the understanding that
13 Richardson would invest the money for her. The money Investor A gave Richardson came from the sale
14 of her residence.

15 6. On March 27, 2000, Investor A gave Richardson \$10,000 with the understanding that
16 Richardson would invest the money for her. Investor A had the money because one of her certificates of
17 deposit had matured.

18 7. On June 12, 2000, Investor A gave Richardson \$10,000 with the understanding that
19 Richardson would invest the money for her. Investor A had the money because another certificate of
20 deposit had matured.

1 Based upon the above Findings of Fact, the following Conclusions of Law are made:

2 **CONCLUSIONS OF LAW**

3 1. The conduct of Steven Richardson, as described above in paragraph 8, constitutes engaging
4 in the practice of lending or borrowing money or securities from a customer, or acting as a custodian for
5 money, securities or an executed stock power of a customer. Such conduct is cause for the denial of a
6 salesperson registration pursuant to RCW 21.20.110(1)(g) and WAC 460-22B-090(1).

7 2. The conduct of Steven Richardson, as described above in paragraph 9, constitutes effecting
8 securities transactions not recorded on the regular books or records of the broker-dealer which the agent
9 represents, unless the transactions are authorized in writing by the broker-dealer prior to the execution of
10 the transaction. Such conduct is cause for the denial of a salesperson registration pursuant to RCW
11 21.20.110(1)(g) and WAC 460-22B-090(2).

12 3. The conduct of Steven Richardson, as described above in paragraphs 3 through 9,
13 constitutes effecting any transaction in, or inducing the purchase or sale of, any security by means of any
14 manipulative, deceptive or fraudulent device, practice, plan, program, design or contrivance. Such
15 conduct is cause for the denial of a salesperson registration pursuant to RCW 21.20.110(1)(g) and WAC
16 460-22B-090(3).

17 4. Respondent, Steven Richardson, in connection with the offer, sale, or purchase of
18 securities, made untrue statements of material fact or omitted to state material facts necessary in order to
19 make the statements made, in light of the circumstances under which they were made, not misleading.
20 Such practice is cause for the denial of a salesperson registration pursuant to RCW 21.20.110(1)(b).

1 **CONSENT ORDER**

2 Based upon the foregoing:

3 IT IS AGREED AND ORDERED that Respondent, Steven Richardson and his agents and
4 employees, each shall cease and desist from offering or selling securities in violation of RCW 21.20.010,
5 the anti-fraud section of the Securities Act of Washington.

6 IT IS FURTHER AGREED AND ORDERED that Respondent, Steven Richardson, will not apply
7 to be a broker-dealer, securities salesperson, investment adviser, or investment adviser representative for ten
8 (10) years from the entry of this consent order. Any application for such registration in the State of
9 Washington during this period shall be denied.

10 IT IS FURTHER AGREED AND ORDERED that Respondent, Steven Richardson, shall reimburse
11 the Securities Division \$2,700 prior to the entry of this order for its costs incurred in the investigation of this
12 matter.

13 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Order.

14 IT IS FURTHER AGREED that in consideration of the foregoing Respondent, Steven Richardson,
15 voluntarily withdraws his request for a hearing and waives his right to a hearing in this matter and judicial
16 review of this order.

17 IT IS FURTHER AGREED that Steven Richardson enters into this Consent Order freely and
18 voluntarily and with full understanding of its terms and significance.

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1 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

2 SIGNED this 18 day of May, 2006.

3 Signed by:

4 /s/
5 Steven Richardson, individually

6 THIS ORDER IS SIGNED AND ENTERED THIS 19 DAY OF May, 2006

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9 _____
10 MICHAEL E. STEVENSON
11 Securities Administrator

12 Approved by:
13 _____
14 Suzanne Sarason
15 Chief of Compliance

16 Presented by:
17 *K. Culbert*
18 _____
19 Kristen Culbert
20 Financial Legal Examiner