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

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

Norair Seferian

Respondent.

Order Number S-05-104-05-FO01

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER  
TO REVOKE SECURITIES SALESPERSON  
REGISTRATION

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THE STATE OF WASHINGTON TO: Norair Seferian

On August 22, 2005, the Securities Administrator of the State of Washington issued S-05-104-05-TO01 hereinafter referred to as the Statement of Charges.

The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred to as "Notice of Opportunity for Hearing" and an Application for Adjudicative Hearing, hereinafter referred to as "Application for Hearing", were served on Norair Seferian on August 29, 2005. The Notice of Opportunity for Hearing advised Norair Seferian that a written application for an administrative hearing on the Statement of Charges must be received within twenty days from the date of receipt of the notice. Norair Seferian failed to request an administrative hearing within twenty days of receipt of the Statement of Charges and Notice of Opportunity for Hearing, either on the Application for Hearing provided or otherwise.

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1 The Securities Administrator therefore will adopt as final the findings of fact and conclusions of law as  
2 set forth in the Statement of Charges.

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4 The Securities Administrator makes the following findings of fact and conclusions of law:

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6 **FINDINGS OF FACT**

7 *Respondent*

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9 1. Norair Seferian (“Seferian”) is an individual residing in New York. Seferian is licensed through  
10 the National Association of Securities Dealers (“NASD”) as a securities salesperson. His securities  
11 salesperson identification number (CRD #) is 2674569.

12 *Nature of the Conduct*

13 2. Seferian was registered in the State of Washington as a securities salesperson from September 10,  
14 1996, until December 31, 1996.

15 3. On June 23, 1999, Seferian received a complaint from a customer that alleged compensatory  
16 damages of over \$229,000. Seferian failed to disclose the complaint on his salesperson registration  
17 application (“Form U-4”) until ten months later, on May 12, 2000.

18 4. On December 7, 1999, Seferian filed a bankruptcy petition pursuant to Chapter 13 of the United  
19 States Bankruptcy Code in the United States Bankruptcy Court, Eastern District of New York. Seferian  
20 failed to disclose the details of the bankruptcy petition on his Form U-4 until March 1, 2005, over five years  
21 later.

1           5.    On May 16, 2001, Seferian received complaints from three customers that alleged excessive  
2 activity, unauthorized trading, misrepresentation, excessive commissions, and unsuitable recommendations.  
3 On November 17, 2001, the parties settled. Seferian failed to disclose the complaints on his Form U-4 until  
4 eleven months later on April 16, 2002, however the terms of the settlement that were disclosed were  
5 misrepresented. Seferian failed to amend his Form U-4 disclosing the actual terms of the 2001 settlement  
6 until March 18, 2004, almost three years later.

7           6.    On June 1, 2001, Seferian received a complaint from a customer alleging unsuitable  
8 recommendations. Seferian failed to amend his Form U-4 to disclose this complaint until ten months later,  
9 on April 16, 2002.

10          7.    On November 14, 2001, Seferian received a complaint from a customer alleging unauthorized over-  
11 the-counter stock trading. Seferian failed to amend his Form U-4 to disclose this complaint until April 16,  
12 2002, five months later.

13          8.    On December 12, 2002, Seferian received a complaint from a customer alleging unauthorized  
14 trading. Seferian failed to amend his Form U-4 to disclose this complaint until one year later, on January 8,  
15 2004.

16          9.    On April 15, 2004, Seferian was re-licensed as a securities salesperson with the State of  
17 Washington. Seferian failed to disclose that he had filed a bankruptcy petition in his application. On June  
18 22, 2004, the license was terminated.

19          10.   On September 9, 2004, Seferian filed another securities salesperson re-license application with the  
20 State of Washington. Seferian failed to disclose that he had filed a bankruptcy petition in his application.

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1 Seferian was granted a license on September 20, 2004. Seferian has been continuously licensed in the State  
2 of Washington from this time.

3 11. On September 14, 2004, the State of Missouri entered a Final Order to Cease and Desist. The Order  
4 alleged that by failing to timely amend his Form U-4 disclosing the abovementioned customer complaints  
5 and by failing to disclose that he had filed a bankruptcy petition, Seferian made a statement that was false or  
6 misleading in respect to a material fact, committed a dishonest or unethical business practice, and failed to  
7 comply with the NASD Conduct Rule 2110. The State of Missouri ordered the summary denial of  
8 Seferian's application for registration as an agent. It was further ordered that Seferian pay \$5,785 in fines  
9 and costs. The fines and costs have not yet been paid.

10 12. On April 13, 2005, the NASD fined Seferian \$2,500 and suspended him from association with any  
11 NASD member in any capacity for 30 days. The NASD alleged that by failing to disclose that he had filed a  
12 bankruptcy petition on his Form U-4, Seferian failed to disclose a material fact in violation of Conduct Rule  
13 2110. Without admitting or denying the allegations, Seferian consented to the described sanctions and to  
14 the entry of the findings that he failed to disclose a material fact on his Form U-4. The suspension period  
15 was from June 6, 2005, until July 18, 2005.

16 13. On April 29, 2005, the State of New Jersey entered a Summary Revocation Order alleging that  
17 Seferian filed two separate securities salesperson applications for re-registration that contained statements  
18 which were false or misleading in regard to a material fact and failed to promptly update a document that  
19 became inaccurate in a material respect by failing to disclose that he had filed a bankruptcy petition. The  
20 State of New Jersey ordered the revocation of Seferian's registration and a fine of \$10,000. The order was  
21 not contested and became final in May 2005.

22 ENTRY OF FINDINGS OF FACT AND  
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2 Based upon the above Findings of Fact, the following Conclusions of Law are made:

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4 **CONCLUSIONS OF LAW**

5 14. As described above in paragraphs 9 and 10, Norair Seferian filed two securities salesperson  
6 applications in the State of Washington that contained a statement which was, in the light of the  
7 circumstances under which it was made, false or misleading with respect to a material fact. Such filings  
8 were in violation of RCW 21.20.350. Such conduct is an independent ground for the suspension of his  
9 salesperson registration pursuant to RCW 21.20.110(1)(a) and (1)(b).

10 15. As described above in paragraph 11, Norair Seferian is the subject to a Final Order to Cease and  
11 Desist in the State of Missouri. The Missouri order is an independent ground for the suspension of his  
12 salesperson registration pursuant to RCW 21.20.110(1)(m).

13 16. As described above in paragraph 12, Norair Seferian failed to comply with an applicable provision  
14 of the Conduct Rules of the NASD. Such conduct is a dishonest or unethical business practice as defined by  
15 WAC 460-22B-090(19) and is an independent ground for suspension of his salesperson registration  
16 pursuant to RCW 21.20.110(1)(g).

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18 **FINAL ORDER**

19 It is hereby ORDERED that the securities salesperson registration of the Respondent, Norair  
20 Seferian, be and is revoked.

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1 **AUTHORITY AND PROCEDURE**

2 This Final Order is entered pursuant to the provisions of RCW 21.20.110 and is subject to the  
3 provisions of RCW 21.20.120 and Chapter 34.05 RCW. Respondents have the right to petition the  
4 superior court for judicial review of this agency action under the provisions of chapter 34.05 RCW. For the  
5 requirements for filing a Petition for Judicial Review, see RCW 34.050.510 and sections following.

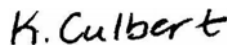
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7 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

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9 DATED this \_\_\_12th\_\_\_ day of October, 2005.

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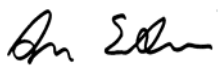
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13 MICHAEL E. STEVENSON  
14 Securities Administrator

15 Presented by:

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17 \_\_\_\_\_  
18 Kristen Culbert  
19 Financial Legal Examiner

20 Approved by:

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22 \_\_\_\_\_  
23 Suzanne Sarason  
24 Chief of Compliance & Examinations