

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

IN THE MATTER OF DETERMINING) Order No.: S-13-1155-13-FO01
Whether there has been a violation of the)
Securities Act of Washington by:) ENTRY OF FINDINGS OF FACT AND
) CONCLUSIONS
Rafael Vasquez d/b/a Rafael Vasquez) OF LAW AND FINAL ORDER TO CEASE AND
Investments & Securities L.L.C.;) DESIST, TO IMPOSE A FINE, TO CHARGE COSTS,
) AND DENYING FUTURE REGISTRATIONS
Respondent.)

On June 10, 2013, the Securities Administrator of the State of Washington issued Statement of Charges and Notice of Intent to Enter Order to Cease and Desist, to Impose a Fine, to Charge Costs, and to Deny Future Registrations S-13-1155-13-SC01 hereinafter referred to as the Statement of Charges against Respondent Rafael Vasquez. 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," was served on Respondent, Rafael Vasquez on July 1, 2013. The Notice of Opportunity for Hearing advised Respondent, Rafael Vasquez, 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. Respondent, Rafael Vasquez, 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.

The Securities Administrator therefore will adopt as final the following Findings of Fact and Conclusions of Law as set forth in the Statement of Charges and enter a final order against the Respondent to cease and desist from violations of the Securities Act.

The Securities Administrator makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

Respondent

1. Rafael Vasquez ("Vasquez") is a resident of Walla Walla, Washington. During the period relevant to this Final Order, Vasquez did business as Rafael Vasquez Investments & Securities L.L.C.

**ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL
ORDER TO CEASE AND DESIST, TO IMPOSE
A FINE, TO CHARGE COSTS, AND TO DENY
FUTURE REGISTRATIONS**

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**DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division**

**PO Box 9033
Olympia WA 98507-9033
360-902-8760**

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2 Nature of the Conduct

3 2. Beginning no later than May 2012, Vasquez maintained the website
4 www.rafaelvasquezco.com (the “website”). During the period relevant to this Statement of Charges, the
5 website was accessible to the general public.

6 3. The website included language indicating that Vasquez was offering to provide investment
7 advisory services. At the top of the website appears “Rafael Vasquez Investments & Securities L.L.C.”
8 Immediately below this appears the following: “Investments-Securities-Retirement-Financial Advisors.”
9 The website states “Investments & Securities L.L.C. [p]rovides [c]omprehensive [f]inancial [s]ervices.” The
10 website further states that Vasquez will present “a fund that can help you feel financially assured with a
11 variety of products that meets your specific needs, and that Vasquez “works closely with all of our clients to
12 select from a broad spectrum of quality products and services.”

13 4. Furthermore, the website includes links to the following: “Securities,” “Investments,”
14 “Investment Solutions,” “Financial Services,” and “Market News.”

15 5. The website has indicated that Vasquez could assist potential clients with retirement
16 planning. The website has stated that Vasquez provides “the financial planning to grow and the investments
17 to secure your future.”

18 6. In or around January 2013, the website contained a blog entry entitled “Real Estate
19 Investments is the Key to a Confident Retirement.” The blog encouraged potential clients to “[o]rganize
20 your finances today for a more confident tomorrow,” and claimed “we can address the many options you
21 may have for retirement.” The blog further stated “let our [i]nvestment [a]dvisors show you how and make
22 money while doing it.”

23 7. In the blog’s comment section, Vasquez stated, “[w]e have several investment products, I can
24 help you choose the...investment that fits your budget and work[s] for you.... Call me for a free initial
25 phone consultation.”

26 *Investigation by the Securities Division*

27 8. The Securities Division first notified Vasquez that Vasquez’s website might be in violation
28 of the Securities Act of Washington in May 2012. Shortly thereafter, Vasquez changed the website,
29 removing references to financial planning and investment management.

1 9. In January 2013, Vasquez added new language to the website that indicated that Vasquez
was an investment advisor. The Securities Division issued a subpoena to Vasquez.

2 10. In or around March 2013, Vasquez added new language to the website indicating that he was
3 offering securities, either as an issuer or as a broker-dealer. The Securities Division sent Vasquez a letter on
4 or around April 2, 2013 requesting that Vasquez remove all language indicating he was an investment
5 adviser from the website.

6 11. On April 25, 2013 Vasquez verbally represented to the Securities Division that he would
7 make the requested changes to the website by May 9, 2013. As of the date of this Statement of Charges,
8 Vasquez has not made the requested changes to the website.

9 Registration Status

10 12. Rafael Vasquez is not currently registered as an investment adviser or investment adviser
11 representative in the State of Washington and has not previously been so registered.

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13 **CONCLUSIONS OF LAW**

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

15 1. Rafael Vasquez has acted as an investment adviser as defined at RCW 21.20.005(8) by
16 holding himself out as an “investment advisor,” and financial adviser on the website
17 www.rafaelvasquezco.com. By doing so while not registered as an investment adviser, or exempt from such
18 registration, in the State of Washington, Rafael Vasquez has violated RCW 21.20.040(4).

19 2. Such conduct is a ground for denial of any investment adviser, and investment adviser
20 representative registrations Rafael Vasquez may file in the future pursuant to RCW 21.20.110(1)(b).

21 **FINAL ORDER**

22 Based upon the foregoing and finding it in the public interest:
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1 IT IS HEREBY ORDERED that the Respondent, Rafael Vasquez and his agents and employees each
2 shall cease and desist from violating RCW 21.20.040.

3 IT IS FURTHER ORDERED that Respondent Rafael Vasquez shall be liable for and shall pay a fine
4 of \$5,000.

5 IT IS FURTHER ORDERED that Respondent Rafael Vasquez shall be liable for and shall pay
6 investigative costs of \$500.

7 IT IS FURTHER ORDERED any investment adviser registration or investment adviser
8 representative registration that Respondent Rafael Vasquez may seek in the future will be denied.

9 **AUTHORITY AND PROCEDURE**

10 This FINAL ORDER is entered pursuant to the provisions of RCW 21.20.110 and 21.20.390, and is
11 subject to the provisions of RCW 21.20.120 and Chapter 34.05 RCW. Respondents have the right to
12 petition the superior court for judicial review of this agency action under the provisions of Chapter 34.05
13 RCW. For the requirements for Judicial Review, see RCW 34.05.510 and sections following. Pursuant to
14 RCW 21.20.395, a certified copy of this Order may be filed in Superior Court. If so filed, the clerk shall
15 treat the Order in the same manner as a Superior Court judgment as to the fine, and the fine may be
16 recorded, enforced, or satisfied in like manner.

17 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

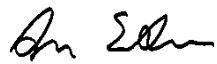
18 SIGNED and ENTERED this 25th day of July 2013.

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20 _____
21 William M. Beatty
22 Securities Administrator

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Approved by:



Suzanne Sarason
Chief of Enforcement

Presented by:



Edward R. Thunen
Enforcement Attorney

Reviewed by:



Robert Kondrat
Financial Legal Examiner Supervisor

**ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL
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