

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

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

5 Pinnacle Opportunity Team, LLC,
6 Ryan A. Purdie,

7 Respondents

Order No. S-19-2652-22-CO01

CONSENT ORDER

8 **INTRODUCTION**

9 On September 16, 2021, the Securities Administrator of the Securities Division of the Department of
10 Financial Institutions (Securities Division) issued a Statement of Charges and Notice of Intent to Enter Order
11 to Cease and Desist, Impose Fines, and Charge Costs (Statement of Charges), S-19-2652-21-SC01, against
12 Pinnacle Opportunity Team, LLC and Ryan A. Purdie. Pursuant to the Securities Act of Washington, RCW
13 21.20, the Securities Division and Pinnacle Opportunity Team, LLC and Ryan A. Purdie hereby enter into
14 this Consent Order in settlement of the matters alleged in the Statement of Charges. Pinnacle Opportunity
15 Team, LLC and Ryan A. Purdie neither admit nor deny the Findings of Fact and Conclusions of Law as set
16 forth below.

17 **FINDINGS OF FACT**

18 **Respondents**

19 1. Pinnacle Opportunity Team, LLC (“Pinnacle”) is a Washington entity formed on June 10,
20 2016 with its principal place of business in Kennewick, Washington. Pinnacle held itself out to investors
21 as a company that was going to operate as a Washington-based marijuana processor. However, in 2016, it
22 was impossible for a company that accepts out-of-state funds to ever be licensed as a marijuana processor
23 in Washington state.

CONSENT ORDER

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
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Olympia, WA 98507-9033
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1 than \$200,000 annually on a \$20,000 investment. Purdie told another investor that they would be repaid
2 within less than six months and thereafter they would double their investment every month. Purdie told
3 another investor that they would earn at least three times the amount they invested and they would be repaid
4 within three to four months. Purdie told a fourth investor that they would earn “millions of dollars” from
5 their \$20,000 investment and their initial investment would be paid within one financial quarter. Purdie
6 had no reasonable basis for the projected profits and there was no reasonable basis for promising a quick
7 return on the investments.

8 6. When offering and selling the Pinnacle LLC membership interests, Purdie failed to disclose
9 to the investors that he was under investigation by the Internal Revenue Service for promoting abusive tax
10 shelters. Allegedly, Purdie had clients donate fabricated intellectual property in order to claim inappropriate
11 tax deductions.

12 7. When offering and selling the Pinnacle investments, Purdie failed to disclose to the investors
13 that during 2016, the Washington State Liquor and Cannabis Board did not allow any investments in
14 Washington marijuana processors from out-of-state investors. Purdie also failed to disclose that Pinnacle
15 was never licensed as a marijuana processor, which would have been required in order for Pinnacle to do
16 business as a marijuana processor in the state of Washington.

17 8. Purdie also failed to disclose other significant risks of the Pinnacle investments. Purdie failed
18 to provide the investors with any financial information about the company, including any listing of assets
19 and liabilities, projected income and expenses, and a construction budget for the processor building project.
20 Purdie failed to disclose the amount of capital that would be required to complete the construction project
21 and to operate the business and he failed to disclose the risk of having inadequate capitalization.

22 **Securities Registration Status**

1 9. Pinnacle is not currently registered to sell its securities in the state of Washington and has not
2 previously been so registered.

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

4 **CONCLUSIONS OF LAW**

5 1. The offer and/or sale of the LLC interests described above constitutes the offer and/or sale of
6 a security as defined in RCW 21.20.005(14) and (17).

7 2. Pinnacle Opportunity Team, LLC and Ryan A. Purdie violated RCW 21.20.140, the securities
8 registration section of the Securities Act of Washington, by offering and selling securities for which no
9 registration is on file with the Securities Administrator.

10 3. Pinnacle Opportunity Team, LLC and Ryan A. Purdie violated RCW 21.20.010, the anti-fraud
11 section of the Securities Act of Washington, by making untrue statements of material fact or omitting to
12 state material facts necessary to make the statements made, in light of the circumstances in which they were
13 made, not misleading.

14 Based upon the foregoing and finding it in the public interest:

15 **CONSENT ORDER**

16 IT IS AGREED AND ORDERED that Respondents Pinnacle Opportunity Team, LLC and Ryan A.
17 Purdie, and their agents and employees, shall each cease and desist from offering and/or selling securities
18 in any manner in violation of RCW 21.20.140, the securities registration section of the Securities Act of
19 Washington.

20 IT IS AGREED AND ORDERED that Respondents Pinnacle Opportunity Team, LLC and Ryan A.
21 Purdie, and their agents and employees, shall each cease and desist from violating RCW 21.20.010, the
22 anti-fraud section of the Securities Act of Washington.

23

1 IT IS AGREED AND ORDERED that Respondent Ryan A. Purdie shall be liable for and pay costs
2 in the amount of \$2,500.

3 IT IS AGREED that Respondents Pinnacle Opportunity Team, LLC and Ryan A. Purdie entered into
4 this Consent Order freely and voluntarily and with a full understanding of its terms and significance.

5 IT IS AGREED that the Securities Division has jurisdiction to enter this order.

6 IT IS AGREED that in consideration of the foregoing, Respondents Pinnacle Opportunity Team, LLC
7 and Ryan A. Purdie each waive their right to a hearing and to judicial review of this matter pursuant to
8 Chapter 34.05 RCW.

9

10 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

11

12 Signed this 27th day of July, 2022

13

14 Signed by:

15 Pinnacle Opportunity Team, LLC

16

/s/ _____

17 Ryan A. Purdie
18 Managing Member

19

Signed by:

20

/s/ _____

21 Ryan A. Purdie, Individually

22 Approved as to form by:

23

