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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 Washington by:

Swanson Financial Services, Inc.;
David Swanson,
Respondents.

Order No. S-21-3252-23-FO01

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL ORDER TO
REVOKE REGISTRATION AND DENY FUTURE
REGISTRATIONS

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THE STATE OF WASHINGTON TO: Swanson Financial Services, Inc. (CRD 143113)
David Swanson (CRD 1464923)

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On April 10, 2023, the Securities Administrator of the state of Washington issued Statement of Charges and Notice of Intent to Revoke Registration and Deny Future Registrations, Order No. S-21-3252-23-SC01 (“Statement of Charges”). The Statement of Charges, together with a Notice of Opportunity for Hearing (“Notice”) and an Application for Adjudicative Hearing (“Application”), were served on Respondents Swanson Financial Services, Inc. and David Swanson on May 15, 2023. The Notice advised Respondents Swanson Financial Services, Inc. and David Swanson that the Application must be received within twenty days from the date of service. Respondents Swanson Financial Services, Inc. and David Swanson failed to request an administrative hearing within twenty days of service.

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The Securities Administrator therefore adopts as final the following Findings of Fact and Conclusions of Law as set forth in the Statement of Charges and enters a final order revoking the investment adviser and investment adviser representative registrations of Respondents Swanson Financial Services, Inc. and David Swanson, respectively; and denying any investment adviser, investment adviser representative, broker-dealer, or securities salesperson registrations Respondents Swanson Financial Services, Inc. and David Swanson may seek in the future.

1 **FINDINGS OF FACT**

2 **Respondents**

3 1. Swanson Financial Services, Inc. (“Swanson Financial”) is an Oregon corporation formed on
4 April 15, 1999. Swanson Financial has a CRD number of 143113 and maintains its principal place of
5 business in Lake Oswego, Oregon. Swanson Financial has been registered with the Securities Division as
6 an investment adviser since May 2018.

7 2. David Swanson (“Swanson”) is the president, chief compliance officer, and sole owner of
8 Swanson Financial. Swanson has a CRD number of 1464923 and has been licensed with the Securities
9 Division as an investment adviser representative of Swanson Financial since May 2018.

10 **Nature of the Conduct**

11 3. On October 6, 2020, the Oregon Division of Financial Regulation (“Oregon DFR”) entered
12 the following against Swanson and Swanson Financial as part of Case No. S-20-0033: Order to Cease and
13 Desist; Proposed Orders Revoking State Investment Adviser, Investment Adviser Representative, Insurance
14 Producer, and Insurance Consultant Licenses; Proposed Order Assessing Civil Penalties, Proposed Order
15 Denying the Use of Exemptions; and Notice of Right to Hearing (collectively, the “Notice Order”).

16 4. The Notice Order alleged, in part, that Swanson and Swanson Financial violated Oregon’s
17 securities laws during the sale of promissory notes to elderly clients in Oregon and Washington. According
18 to the Notice Order, the Oregon DFR sought to revoke Swanson’s Oregon investment adviser representative
19 license and Swanson Financial’s Oregon investment adviser license. The Notice Order advised Swanson
20 and Swanson Financial that they had a right to a hearing on the charges against them.

21 5. On or around January 25, 2023, the Oregon DFR entered the following against Swanson and
22 Swanson Financial as part of Case No. S-20-0033: Final Order to Cease and Desist; Orders Revoking State
23 Investment Adviser, Investment Adviser Representative, Insurance Producer, and Insurance Consultant

1 Licenses; Order Assessing Civil Penalties, Order Denying the Use of Exemptions; Bar from Financial
2 Services Business Activities; and Consent to Entry of Order (collectively, the “Final Order”).

3 6. The Final Order, which was consented to by both Swanson and Swanson Financial, revoked
4 the Oregon state investment adviser license for Swanson Financial and the Oregon state investment adviser
5 representative license for Swanson. Both license revocations took effect on March 1, 2023. The Final Order
6 also permanently barred Swanson from applying for, registering, or renewing any investment adviser,
7 investment adviser representative, broker-dealer, or securities salesperson license in the State of Oregon.

8 7. Swanson signed the Final Order on behalf of himself and Swanson Financial. In doing so, he
9 indicated he and the firm had been advised of their right to a hearing on the charges against them, and that
10 he was waiving that right on behalf of himself and the company.

11
12 Based upon the above Findings of Fact, the following Conclusions of Law are made:

13 **CONCLUSIONS OF LAW**

14 1. Swanson Financial Services, Inc. is the subject of the Final Order entered by the Oregon
15 Division of Financial Regulation, which constitutes an order entered by a state securities administrator after
16 notice and opportunity for a hearing revoking registration as an investment adviser.

17 2. David Swanson is the subject of the Final Order entered by the Oregon Division of Financial
18 Regulation, which constitutes an order entered by a state securities administrator after notice and
19 opportunity for a hearing revoking registration as an investment adviser representative and barring
20 registration as an investment adviser, investment adviser representative, broker-dealer, or securities
21 salesperson.

1 3. Oregon's order is grounds pursuant to RCW 21.20.110(1)(e)(i) to revoke the investment
2 adviser registration of Swanson Financial Services, Inc., and to deny any future investment adviser,
3 investment adviser representative, broker-dealer, or securities salesperson registration that it may seek.

4 4. Oregon's order is grounds pursuant to RCW 20.20.110(1)(e)(i) to revoke the investment
5 adviser representative registration of David Swanson and to deny any future investment adviser, investment
6 adviser representative, broker-dealer, or securities salesperson registration that he may seek.

7 5. It is in the public interest to revoke the investment adviser registration of Swanson Financial
8 Services, Inc., and to deny any investment adviser, investment adviser representative, broker-dealer, or
9 securities salesperson registration that it may seek.

10 6. It is in the public interest to revoke the investment adviser representative registration of David
11 Swanson, and to deny any investment adviser, investment adviser representative, broker-dealer, or
12 securities salesperson registration that he may seek.

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14 **FINAL ORDER**

15 Based on the foregoing and finding it in the public interest:

16 IT IS HEREBY ORDERED that the investment adviser registration of Respondent Swanson
17 Financial Services, Inc. is hereby revoked.

18 IT IS HEREBY ORDERED that the investment adviser representative registration of Respondent
19 David Swanson is hereby revoked.

20 IT IS HEREBY ORDERED that the Securities Administrator will deny any application for
21 registration as an investment adviser, investment adviser representative, broker-dealer, or securities
22 salesperson that Respondents Swanson Financial Services, Inc. and David Swanson may make in the future.
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1 **AUTHORITY AND PROCEDURE**

2 This FINAL ORDER is entered pursuant to RCW 21.20.110 and is subject to Chapter 34.05 RCW.
3 Respondents have the right to petition the superior court for judicial review of this agency action under Part
4 V of Chapter 34.05 RCW. Pursuant to RCW 21.20.395(4), a certified copy of this Final Order may be filed
5 in superior court. If so filed, the clerk shall treat the Final Order in the same manner as a superior court
6 judgment as to the fine, and the fine may be recorded, enforced, or satisfied in like manner.

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

8
9 SIGNED and ENTERED this 21st day of June, 2023.



15 /s/

16 _____
William M. Beatty
Securities Administrator

17 Approved by:

Presented by:

18 /s/

19 /s/

20 _____
Brian Guerard
Chief of Enforcement

21 _____
Brett Werenski
Financial Legal Examiner

22 Reviewed by:

23 /s/

Holly Mack-Kretzler

1 Financial Legal Examiner Supervisor

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FINAL ORDER

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
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360-902-8760