

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

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

7 Swanson Financial Services, Inc.;
8 David Swanson,
9 Respondents.

Order No. S-21-3252-23-SC01

STATEMENT OF CHARGES AND NOTICE OF
INTENT TO REVOKE REGISTRATION AND DENY
FUTURE REGISTRATIONS

10 **THE STATE OF WASHINGTON TO:**

Swanson Financial Services, Inc. (CRD 143113)
David Swanson (CRD 1464923)

11 **STATEMENT OF CHARGES**

12 Please take notice that the Securities Administrator of the State of Washington has reason to believe
13 that: (1) Respondent Swanson Financial Services, Inc. engaged in conduct that justifies the revocation of its
14 investment adviser registration pursuant to RCW 21.20.110(1), and the denial of any investment adviser,
15 investment adviser representative, broker-dealer, or securities salesperson registrations that Swanson
16 Financial Services, Inc. may seek in the future pursuant to RCW 21.20.110(1); and (2) Respondent David
17 Swanson engaged in conduct that justifies the revocation of his investment adviser representative registration
18 pursuant to RCW 21.20.110(1), and the denial of any investment adviser, investment adviser representative,
19 broker-dealer, or securities salesperson registrations he may seek in the future pursuant to RCW 21.20.110(1).

20 The Securities Administrator finds as follows:

21 **TENTATIVE FINDINGS OF FACT**

22 **Respondents**

23 1. Swanson Financial Services, Inc. (“Swanson Financial”) is an Oregon corporation formed on
April 15, 1999. Swanson Financial has a CRD number of 143113 and maintains its principal place of business

1 in Lake Oswego, Oregon. Swanson Financial has been registered with the Securities Division as an
2 investment adviser since May 2018.

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

6 **Nature of the Conduct**

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

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

17 5. On or around January 25, 2023, the Oregon DFR entered the following against Swanson and
18 Swanson Financial as part of Case No. S-20-0033: Final Order to Cease and Desist; Orders Revoking State
19 Investment Adviser, Investment Adviser Representative, Insurance Producer, and Insurance Consultant
20 Licenses; Order Assessing Civil Penalties, Order Denying the Use of Exemptions; Bar from Financial
21 Services Business Activities; and Consent to Entry of Order (collectively, the “Final Order”).

22 6. The Final Order, which was consented to by both Swanson and Swanson Financial, revoked
23 the Oregon state investment adviser license for Swanson Financial and the Oregon state investment adviser

1 representative license for Swanson. Both license revocations took effect on March 1, 2023. The Final Order
2 also permanently barred Swanson from applying for, registering, or renewing any investment adviser,
3 investment adviser representative, broker-dealer, or securities salesperson license in the State of Oregon.

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

7

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

9

CONCLUSIONS OF LAW

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

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

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

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

1
2 SIGNED and ENTERED this 10th day of April, 2023.



/s/

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9 _____
William M. Beatty
Securities Administrator

10 Approved by:

Presented by:

11 /s/

/s/

12 _____
13 Brian Guerard
Chief of Enforcement

14 _____
15 Brett Werenski
Financial Legal Examiner

16 Reviewed by:

17 /s/

18 _____
19 Holly Mack-Kretzler
20 Financial Legal Examiner Supervisor
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22
23