

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 Josette Santos,

6 Respondent.

Order No.: S-23-3598-24-CO01

CONSENT ORDER AS TO JOSETTE SANTOS
AND ORDER RESCINDING ORDER NO.
S-23-3598-24-FO01

7 THE STATE OF WASHINGTON TO:

Josette Santos, CRD No. 6908112

8 On February 14, 2024, the Securities Administrator of the Securities Division of the Department of
9 Financial Institutions (Securities Division) issued order number S-23-3598-24-SC01, a Statement of Charges
10 and Notice of Intent to Enter Order to Cease and Desist, to Suspend Registration, to Deny Registration, to
11 Impose Fines, and to Charge Costs (Statement of Charges) against Respondent Josette Santos. The Statement
12 of Charges, together with the Notice of Opportunity to Defend and Opportunity for Hearing (Notice of
13 Opportunity for Hearing) and an Application for Adjudicative Hearing (Application for Hearing), was served
14 on Josette Santos on February 14, 2024. The Notice of Opportunity for Hearing advised Josette Santos that a
15 written application for an administrative hearing on the Statement of Charges must be received within twenty
16 days from the date of receipt of the notice. Josette Santos did not request an administrative hearing, either on
17 the Application for Hearing or otherwise, within twenty days of receipt of the Statement of Charges and Notice
18 of Opportunity for Hearing. The Securities Administrator, therefore, on March 12, 2024, adopted a Final
19 Order against Josette Santos to cease and desist from violations of the Securities Act of Washington, to deny
20 any future securities registrations, to impose fines, and to charge costs. Respondent Josette Santos
21 subsequently sent a financial declaration to the Securities Division, which demonstrated that Respondent
22 Josette Santos is under significant financial hardship. After consideration of Respondent Josette Santos's
23 financial hardship, the Securities Division has agreed to modify the fines and costs ordered against her in the

CONSENT ORDER AND ORDER
RESCINDING ORDER NO.
S-23-3598-24-FO01

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 41200
Olympia, WA 98504-1200
360-902-8760

1 Final Order, including the introduction of a payment plan. The Securities Division does hereby vacate the
2 Final Order, and the Securities Division and Respondent Josette Santos do hereby agree to this Consent Order
3 in settlement of the above captioned matter. The Securities Division makes, and Respondent Santos admits,
4 the following Findings of Fact or Conclusions of Law.

5 **FINDINGS OF FACT**

6 **Respondent**

7 1. Josette Santos (“Santos”), Central Registration Depository (“CRD”) # 6908112, is a
8 Washington State resident and former employee of Wells Fargo Bank, N.A. (“Wells Fargo Bank”). Santos
9 was registered in Washington with Wells Fargo Clearing Services, LLC (“Wells Fargo Clearing”) as a
10 securities salesperson from April 2021 to December 2022, and an investment advisor representative from
11 January 2021 to December 2022.

12 **Nature of the Conduct**

13 *Overview*

14 1. Wells Fargo Bank terminated Santos for withdrawing \$1,000 without authorization from a
15 Wells Fargo Bank customer account and obtaining \$2,000 from another Wells Fargo Bank client, without the
16 client’s knowledge, while assisting the client with a transaction.

17 *Wells Fargo Bank Customer A*

18 2. Santos was employed by Wells Fargo Bank as a Premier Banker. Santos was registered with
19 Wells Fargo Clearing for the purpose of receiving compensation for referrals to other registered individuals
20 at Wells Fargo Clearing.

21 3. On August 8, 2022, Santos approved a \$1,000 withdrawal transaction off of an elderly,
22 vulnerable customer’s account for the purchase of a money order. The money order was made out to cash and
23 was negotiated the same day at Chase Bank. Wells Fargo Bank records show that Santos accessed the

1 customer's account at Wells Fargo Bank multiple times between August 8 and August 9, 2022. Wells Fargo
2 Bank reviewed video surveillance of the Chase Bank location. The customer was not in the Chase Bank branch
3 at the time of the transaction or at any time on August 8, 2022.

4 4. Wells Fargo Bank determined that Santos has a personal account at Chase Bank and that her
5 personal accounts showed signs of financial distress.

6 ***Wells Fargo Bank Customer B***

7 5. On October 18, 2022, a different customer met with Santos to close accounts for her deceased
8 husband. One account was closed with a balance of \$8,273.74. A cashier's check was issued payable to the
9 customer in the amount of \$8,273.74. The check was then used to issue a new cashier's check in the amount
10 of \$6,273.74 along with two \$1,000 money orders. The new \$6,273.74 cashier's check was deposited into the
11 customer's account. The two \$1,000 money orders were deposited into an account at Chase Bank. Both money
12 order payees were handwritten made payable to Santos. The purchaser's signature on both money orders
13 matched Santos's signature on file.

14 6. On November 3, 2022, Wells Fargo Bank's Enterprise Investigations conducted an interview
15 of Santos. Santos admitted to conducting the unauthorized withdrawal off of customer A's account on August
16 8, 2022, and stealing funds from customer B's transaction on October 18, 2022. Santos also admitted to
17 forging customer B's signatures on the money orders and accessing customer A's account without their
18 authorization.

19 7. Wells Fargo Bank involuntarily terminated Santos for Dishonesty or Fraud on November 10, 2022.

20 ***FINRA Suspension and Bar***

21 8. FINRA's Office of Member Supervision opened an inquiry into Santos based on a Form U5
22 filing from Wells Fargo Clearing, which reported that Wells Fargo Clearing terminated Santos's employment
23 after she was terminated by Wells Fargo Bank.

1
2 **CONSENT ORDER**

3 IT IS HEREBY ORDERED that any future applications by Respondent Santos to be registered as an
4 investment adviser, broker-dealer, investment adviser representative, or securities salesperson shall be denied.

5 IT IS HEREBY ORDERED that Respondent Santos shall be liable for and pay a fine in the amount
6 of \$1,600.

7 IT IS HEREBY ORDERED that that Respondent Santos shall be liable for and pay costs in the amount
8 of \$1,400.

9 IT IS FURTHER AGREED AND ORDERED that the payment of the fine and costs described above
10 shall be made as follows: Respondent Josette Santos shall pay \$600 towards the investigative costs on or
11 before the entry of this Consent Order. Respondent Josette Santos shall then pay the remaining investigative
12 costs and fine in monthly payments for the following twelve consecutive months, with each monthly payment
13 in the amount of \$200. The first \$800 in payments will pay the investigative costs balance, and the remaining
14 \$1,600 in payments will pay the fine. Each payment shall be due on the first business day following the first
15 day of the month.

16 IT IS FURTHER AGREED that if Respondent Josette Santos fails to make any monthly payment, the
17 remainder of the fine and costs imposed in this Consent Order shall become immediately due and payable,
18 and the Securities Division may seek enforcement of the Consent Order pursuant to RCW 21.20.395.

19 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Consent Order.

20 IT IS FURTHER AGREED that Respondent Josette Santos enters into this Consent Order freely and
21 voluntarily and with a full understanding of its terms and significance.

22 IT IS FURTHER AGREED that in consideration of the foregoing, the Securities Division hereby
23 rescinds the Final Order S-23-3598-24-FO01 against Respondent Josette Santos.

1
2 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

3 Signed and this 19 day of July, 2024.

4
5 Signed by:

6 /s/ Josette Santos

7 _____
8 Josette Santos, Individually

9
10 .
11 Signed and Entered this 30th day of July, 2024.



17 /s/

18 _____
19 William M. Beatty
20 Securities Administrator

19 Approved by:

Presented by:

20 /s/

/s/

21 _____
22 Brian Guerard
23 Chief of Enforcement

Keenan Osborne
Financial Legal Examiner

Reviewed by:

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/s/

Holly Mack-Kretzler
Financial Legal Examiner Supervisor