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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:

Columbia Square Wealth Management LLC,
Charles Andrew Cook,
Respondents.

Order No. S-24-3778-24-CO01

CONSENT ORDER

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INTRODUCTION

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On May 31, 2024, the Securities Administrator of the Securities Division of the Department of Financial Institutions (Securities Division) issued a Summary Order Suspending Registrations and Statement of Charges and Notice of Intent To Enter Order To Cease And Desist, To Revoke Registrations, To Deny Future Registrations, To Impose A Fine, and To Charge Costs (“Summary Order”), S-24-3778-24-TO01, against Respondents Columbia Square Wealth Management LLC (CRD 309447) and Charles Andrew Cook (CRD 2957900). Pursuant to the Securities Act of Washington, RCW 21.20, the Securities Division and Respondents Columbia Square Wealth Management LLC and Charles Andrew Cook hereby enter into this Consent Order in settlement of the matters set forth in the Summary Order and as alleged below. Columbia Square Wealth Management LLC and Charles Andrew Cook neither admit nor deny the Findings of Fact and Conclusions of Law as stated below.

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FINDINGS OF FACT

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1. Columbia Square Wealth Management LLC (“CSWM”) is a Washington limited liability company formed on May 14, 2020, with its principal place of business in Richland, Washington. CSWM has been a registered investment adviser (“RIA”) with the Securities Division since August 21, 2020. CSWM’s Central Registration Depository (“CRD”) number is 309447.

CONSENT ORDER

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

1 8. Over the course of many months, Cook transferred more than \$50,000 from the Foundation
2 account to an undisclosed CSWM account, and eventually to his personal account. These transfers were not
3 disclosed to the Foundation.

4 9. During an examination conducted by DFI (“DFI Exam”), Cook misrepresented he was not a
5 signatory to any of his client accounts and denied that he had control over any Foundation financial or
6 investment accounts, yet Schwab account application records show that Cook was both an Authorized
7 Person and Control Person for the Foundation account. Further, the account application indicated that
8 CSWM was authorized to place trades in the Foundation account, to remit checks, and to journal cash and/or
9 securities to a Schwab brokerage account.

10 10. During the DFI Exam, Cook denied his role as treasurer with the Foundation. However, when
11 questioned further by DFI examiners, Cook admitted to his role as treasurer for the Foundation.

12 11. Ultimately, during the DFI Exam, Cook admitted to moving Foundation funds through CSWM
13 accounts into his personal accounts, for his personal use. Cook insisted the funds were payments in
14 exchange for services he rendered to the Foundation. However, the Foundation president refuted the
15 payments were authorized by the Foundation and the Foundation did not prepare tax documents to reflect
16 any such payments. Despite Cook’s claims, the transfer of Foundation funds was done covertly and without
17 authority.

18 12. Upon learning of Cook’s actions, the Foundation Board met on May 13, 2024, and voted to
19 approve a loan to Cook in the amount of \$60,000, retroactively authorizing Cook’s withdrawals.

20 ***Non-compliance and Further Misrepresentations***

21 13. In its 2023 Uniform Application for Investment Adviser Registration (“Form ADV”), CSWM
22 disclosed that it had over \$3 million dollars in regulatory assets under management, however, during the
23

1 DFI exam, Cook admitted the figure was falsely based on the assets of a *prospective* client that ultimately
2 did not open an account.

3 14. Cook failed to disclose several outside business and volunteer activities in CSWM's Form
4 ADV—activities that included purportedly paid web design work and volunteer work for the Foundation.
5 Cook's several business interactions with the Foundation, a possible conflict of interest, certainly required
6 full and fair disclosure.

7 15. On April 12, 2023, Cook electronically filed with DFI CSWM's end of fiscal year balance
8 sheet indicating that on December 31, 2022, the firm had a net worth of \$3,300, held in a single business
9 checking account. However, bank records provided in May of 2024 specify that at the time, CSWM held
10 two business bank accounts, each with a negative balance. In fact, both business accounts were ultimately
11 closed by their respective banks as they were overdrawn for several months. As such, CSWM did not have
12 a bank account between June 2023 and September 2023.

13 16. At the time of these transactions, CSWM did not meet the net worth requirements for retaining
14 custody of client funds.

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

16 **CONCLUSIONS OF LAW**

17 1. Cook and CSWM made false or misleading statements in filed documents, in violation of
18 RCW 21.20.350.

19 2. Cook and CSWM engaged in one or more dishonest or unethical practices in the securities
20 business, in violation of RCW 21.20.020 and defined by the following WACs:

- 21 a. WAC 460-24A-220(2), by exercising any discretion in placing an order for the purchase or
22 sale of securities for a client without obtaining written discretionary authority from the
23 client.

- 1 b. WAC 460-24A-220(4), by placing an order to purchase or sell a security for the account of
2 a client without authority to do so.
- 3 c. WAC 460-24A-220(11), by failing to disclose to clients in writing before any advice is
4 rendered any material conflict of interest relating to the investment adviser, investment
5 adviser representative, federal covered adviser, or any employees or affiliated persons
6 thereof which could reasonably be expected to impair the rendering of unbiased and
7 objective advice, including serving as an officer, director, or similar capacity of any outside
8 company or other entity.
- 9 d. WAC 460-24A-220(20), by engaging in any act, practice, or course of business which is
10 fraudulent, deceptive, manipulative, or unethical.
- 11 e. WAC 460-24A-220(21), by engaging in conduct or any act, indirectly or through or by any
12 other person, which would be unlawful for such person to do directly under the provisions
13 of the Securities Act of Washington, chapter 21.20 RCW, or any rule or regulation
14 thereunder.

15 3. CSWM failed to comply with WAC 460-24A-170, by failing to maintain net worth
16 requirements for investment advisers.

17 4. CSWM failed to comply with WAC 460-24A-200, by failing to maintain required books and
18 records.

19 5. Cook and CSWM failed to comply with WAC 460-24A-205, by failing to timely file
20 amendments to its Form ADV.

21 6. Such practices are grounds for the denial of CSWM and Cook's investment adviser and
22 investment adviser representative registrations, pursuant to RCW 21.20.110(1)(g).

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

2 **CONSENT ORDER**

3 IT IS AGREED that Respondents' prior registrations with the Securities Division are presently
4 revoked subject to the previously issued Summary Order.

5 IT IS AGREED AND ORDERED that Respondents Columbia Square Wealth Management LLC and
6 Charles Andrew Cook, and their agents and employees, shall each cease and desist from violating Chapter
7 21.20 RCW.

8 IT IS AGREED AND ORDERED that the Respondent Columbia Square Wealth Management LLC
9 will not seek future registration with the Securities Division, and that the Securities Administrator will deny
10 any investment adviser or broker-dealer registration applications that Columbia Square Wealth Management
11 LLC may file in the future.

12 IT IS AGREED AND ORDERED that the Respondent Charles Andrew Cook will not seek future
13 registration(s) with the Securities Division, and that the Securities Administrator will deny any investment
14 adviser, investment adviser representative, broker-dealer, or registered representative registration applications
15 that Charles Andrew Cook may file in the future, for a period of no less than ten (10) years from the date of
16 this order.

17 IT IS AGREED AND ORDERED that the Respondent Charles Andrew Cook shall be subject to
18 heightened supervision for a period of no less than two (2) year following any future registration(s) with the
19 Securities Division.

20 IT IS AGREED that Respondents Columbia Square Wealth Management LLC and Charles Andrew
21 Cook enter into this Consent Order freely and voluntarily and with a full understanding of its terms and
22 significance.

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

1 IT IS AGREED that in consideration of the foregoing, the Respondents waive their right to a hearing
2 and to judicial review of this matter pursuant to Chapter 34.05 RCW.

3

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

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6 Signed this 28th day of November 2024.

7

8 Signed by:

9 Columbia Square Wealth Management LLC

10 /s/

11 _____
12 Charles Andrew Cook
13 Owner. Columbia Square Wealth Management LLC

14 Signed by:

15 /s/

16 _____
17 Charles Andrew Cook, Individually

18 Approved as to form by:

19 /s/

20 _____
21 John Bender, Attorney for Respondents

22

23

1
2 SIGNED and ENTERED this 10th day of December 2024.

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4 /s/

5 _____
6 William M. Beatty
7 Securities Administrator

8 Approved by:

9 Presented by:

10 /s/

11 /s/

12 _____
13 Brian J. Guerard
14 Chief of Enforcement

15 _____
16 Megan Campbell
17 Financial Legal Examiner

18 Reviewed by:

19 /s/

20 _____
21 Holly Mack-Kretzler
22 Financial Legal Examiner Supervisor

