



Washington State Department of Financial Institutions

Division of Securities

2024 Year In Review

WASHINGTON DFI JOINS \$17 MILLION SETTLEMENT WITH EDWARD D. JONES & CO., L.P.

After a four-year investigation with a 14-state working group, DFI’s Securities Division joined a \$17 million [settlement](#) with Edward D. Jones & Co., L.P. (Edward Jones). The settlement is a result of an investigation by DFI and other members of the North American Securities Administrators Association (NASAA). The regulators investigated the broker-dealer’s supervision of customers paying front-load commissions for Class A mutual fund shares in light of later moving brokerage assets into fee-based investment advisory accounts.

The investigating group found that Edward Jones charged front-load commissions for investments in Class A mutual fund shares in situations where the customer sold or moved the mutual fund shares sooner than originally anticipated. The states also found gaps in Edward Jones’s supervisory procedures in this respect.

As part of the settlement, Edward Jones will pay each of the 50 states, Washington, D.C., the U.S. Virgin Islands, and Puerto Rico an administrative fine of approximately \$320,000. As a member of the working group, Washington DFI will receive an additional \$15,000 for investigative costs. In evaluating the supervisory failures and determining the appropriate resolution, the states considered certain facts such as the positive performance of the investment advisory accounts as compared to the brokerage accounts.

DIVISION STATS AT A GLANCE AS OF DECEMBER 2024

Number of Licensees

Securities Broker Dealers	1,697
Investment Advisers	645
Investment Adviser Representatives	14,753
Securities Salespersons	227,450
Registered Securities Offerings	91
Registered Franchise Offerings	1,023
Registered Business Opportunities	3

Enforcement Results for Jan. 2024 – Dec. 2024:

Complaints Received
335

Enforcement Actions Issued
92



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DFI WARNS WASHINGTON INVESTORS OF EMERGING CRYPTOCURRENCY SCAMS INVOLVING FAKE “INVESTMENT EDUCATION FOUNDATION” AND AI BOTS

DFI is warning the public about a new investment scam involving fake “investment education foundations” that lure investors with promises of education on stocks and cryptocurrency, “risk-free” trials, and loans. The main goal of the scammers is to persuade investors to invest their own money into the platform as well as take out fake loans, paying exorbitant commissions.



Learn more in our [Emergent Cryptocurrency Scams Alert](#).

HOW TO PROTECT YOURSELF FROM INVESTMENT FRAUD



Exercise caution before responding to unsolicited investment offers, especially those received through social media, emails, or phone calls. Do not assume an education foundation is trustworthy just because it is promoted on social media

Contact DFI to check if the education foundation and cryptocurrency exchange are registered. Consumers can report fraud several ways. They can contact DFI by calling (877) 746-4334, send an email dfi@dfi.wa.gov, or fill out a [complaint form](#). Learn more about financial fraud - how to identify, prevent and report it - at <https://dfi.wa.gov/10b>.