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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:

FINANCIAL ADVOCATES ADVISORY
SERVICES LLC,

Respondent.

Order Number S-10-214-10-SC01

STATEMENT OF CHARGES AND NOTICE
OF INTENT TO SUSPEND INVESTMENT
ADVISER REGISTRATION AND IMPOSE
FINES

9 THE STATE OF WASHINGTON TO:

FINANCIAL ADVOCATES ADVISORY SERVICES
LLC
1601 Cooper Point Rd. N.W.
Olympia, WA 98502

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STATEMENT OF CHARGES

13 Please take notice that the Securities Administrator of the State of Washington has reason to
14 believe that the Respondent, FINANCIAL ADVOCATES ADVISORY SERVICES LLC, has violated
15 the Securities Act of Washington and that its violations justify the suspension of Respondent's investment
16 adviser registration pursuant to RCW 21.20.110(1). The Securities Administrator finds as follows:

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TENTATIVE FINDINGS OF FACT

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I. Respondent

19 1. Financial Advocates Advisory Services, LLC ("Financial Advocates") is a limited liability
20 company organized under the laws of Washington with its principal place of business at 1601 Cooper
21 Point Rd. N.W., Olympia, WA 98502. The Managing Member and Registered Agent of the company
22 is Gary Campbell. The fiscal year end for Financial Advocates is December 31.

1 2. Financial Advocates is currently registered as an investment adviser with the Securities Division
2 pursuant to RCW 21.20.040 under file number 30002913. That registration expires on December 31,
3 2010. The file number of Financial Advocates in the Investment Adviser Registration Depository
4 (“IARD”) is 147786.

5 **II. Nature of the Conduct**

6 3. In accordance with WAC 460-24A-060, each investment adviser registered with the Securities
7 Division is required to file with the Securities Division a fiscal year end balance sheet prepared in
8 accordance with generally accepted accounting principles. The balance sheet must be filed no more than
9 ninety days after the end of the adviser’s fiscal year.

10 4. The Respondent last submitted a balance sheet to the Securities Division on February 12, 2009. The
11 balance sheet is dated 4th Quarter 2008.

12 5. On January 22, 2010, the Securities Division sent a memorandum via e-mail to all investment advisers
13 registered in the State of Washington with a fiscal year end in December reminding them of the
14 requirement to submit a fiscal year end balance sheet prepared in accordance with generally accepted
15 accounting principles. The memorandum included a warning that advisers who failed to file the required
16 balance sheet would be referred to Enforcement for administrative action which could include suspension
17 or revocation of their license and imposition of fines. The memorandum was sent to the Respondent at
18 the e-mail address listed in its most recent Form ADV Part 1.

19 6. On March 23, 2010, the Securities Division sent an e-mail message to all investment
20 advisers, including the Respondent, who had not filed the required balance sheet. The
21 message reminded them that the deadline to file was March 31, 2010, and again warned that

1 failure to file would result in administrative action and imposition of fines. This e-mail was
2 sent to the Respondent at the e-mail address listed in its most recent Form ADV Part 1.

3 7. On April 12, 2010 and April 21, 2010, Jennifer Johnson, a customer service specialist with the
4 Securities Division, sent e-mails to Robin Baker, the contact person identified on the Respondent's
5 Form ADV Part 1, notifying her that the Securities Division had not received the required balance
6 sheet.

7 8. As of the date of this order, the Respondent has not submitted a balance sheet for its fiscal year
8 ending December 31, 2009.

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

10 **CONCLUSIONS OF LAW**

11 1. Financial Advocates has willfully violated WAC 460-24A-060 because it has not filed a balance
12 sheet prepared in accordance with generally accepted accounting principles within 90 days of its
13 December 31, 2009 fiscal year end.

14 2. The willful violation of WAC 460-24A-060 constitutes grounds for the entry of an order
15 suspending the registration of Financial Advocates as an investment adviser under RCW
16 21.20.110(1)(b) and imposing a fine under RCW 21.20.110(1).

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18 **NOTICE OF INTENT TO SUSPEND REGISTRATION**

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20 Pursuant to RCW 21.20.110(1), and based upon the above Tentative Findings of Fact and
21 Conclusions of Law, the Securities Administrator intends to order that the investment adviser registration
22 of the Respondent be suspended until the Respondent has complied with WAC 460-24A-060.

1 **NOTICE OF INTENT TO IMPOSE FINES**

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3 Pursuant to RCW 21.20.110(1) and based upon the above Tentative Findings of Fact and
4 Conclusions of Law, the Securities Administrator intends to order that Respondent shall be liable for and
5 pay a fine of \$1,000.

6 **AUTHORITY AND PROCEDURE**

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8 This Order is entered pursuant to the provisions of RCW 21.20.110 and is subject to the
9 provisions of RCW 21.20.120 and Chapter 34.05 RCW. The Respondent may make a written request for
10 a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR
11 HEARING accompanying this Order. If the Respondent does not request a hearing, the Securities
12 Administrator intends to adopt the foregoing Tentative Findings of Fact and Conclusions of Law as final,
13 and enter an order against the Respondent suspending the Respondent’s investment adviser registration
14 and imposing the fine sought.

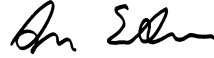
15 DATED this 5th day of August, 2010.

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19 William M. Beatty
20 Securities Administrator

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Approved by:



Suzanne Sarason
Chief of Enforcement

Presented by:



Nelda Shannon
Financial Examiner