

**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:

Brian H. Brunhaver;
Stacey L. Brunhaver;
Brunhaver Financial Services, LLC

) Order No.: S-11-0656-12-TO01
)
) SUMMARY ORDER TO CEASE AND DESIST FROM
) VIOLATING THE SECURITIES ACT OF WASHINGTON
) AND DENYING INVESTMENT ADVISER REGISTRATION
) AND STATEMENT OF CHARGES AND NOTICE OF INTENT
) TO DENY FUTURE REGISTRATIONS, TO IMPOSE FINES,
AND TO CHARGE COSTS

Respondents.

THE STATE OF WASHINGTON TO:

**Brian H. Brunhaver;
Stacey L. Brunhaver;
Brunhaver Financial Services, LLC**

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents, Brian H. Brunhaver, Stacey L. Brunhaver, and Brunhaver Financial Services, LLC, have each violated the Securities Act of Washington and that their violations justify the entry of a summary order of the Securities Administrator under RCW 21.20.110 to deny Brunhaver Financial Services, LLC's pending investment adviser registration, and to deny future investment advisor, investment adviser representative, and securities salesperson registrations. The Securities Administrator also finds that these violations justify the entry of an order under RCW 21.20.110, 21.20.390, and 21.20.395 to cease and desist from such violations, to charge costs, and to impose a fine. The Securities Administrator further finds that the continuing unregistered activity of Brian H. Brunhaver, Stacey L. Brunhaver, and Brunhaver Financial Services, LLC is hazardous to the public interest, and that it is necessary for the protection of the investing public that a Summary Order to cease and desist from violating the Securities Act of Washington be entered immediately. The Securities Administrator finds as follows:

SUMMARY ORDER TO CEASE AND DESIST FROM
VIOLATING THE SECURITIES ACT AND DENYING
REGISTRATION AND
STATEMENT OF CHARGES AND NOTICE OF INTENT
TO DENY FUTURE REGISTRATIONS, TO IMPOSE
FINES, AND TO CHARGE COSTS

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DEPARTMENT OF FINANCIAL INSTITUTIONS

Securities Division

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TENTATIVE FINDINGS OF FACT

Respondents

1. Brunhaver Financial Services, LLC (“BFS”) (IARD #158161) is an inactive Washington limited liability company organized on September 16, 2005. During the period relevant to this order, BFS maintained a principal place of business in Snohomish, Washington.

2. Brian H. Brunhaver (“Brian Brunhaver”) (CRD #2498928) is a Washington resident and president of BFS. Beginning in or around September, 2005, Brian Brunhaver did business as BFS.

3. Stacey L. Brunhaver (“Stacey Brunhaver”) (CRD #4698819) is a Washington resident and Brian Brunhaver’s wife.

Nature of the Conduct

Background

4. Brian Brunhaver was registered as a securities salesperson and investment adviser representative of LPL Financial Services (“LPL”) between 1995 and approximately May, 2011. During that time, Stacey Brunhaver was Brian Brunhaver’s unregistered assistant and, consequently, under Brian Brunhaver’s supervision. While at LPL, Brian Brunhaver received compensation based on assets under management and commissions from sales of securities, including interests in real estate investment trusts (“REITs”). Brian Brunhaver sold non-traded REITs to more than two hundred clients during his time at LPL. Many clients made multiple purchases of these products. Between 2007 and his termination by LPL, Brian Brunhaver made as much as \$548,795 in commissions from sales of non-traded REITs.

5. REITs are companies that own and typically operate income-producing real estate or related assets. Their structure allows investors to earn a share of the income produced through commercial real

1 estate without having to purchase commercial real estate. Investments in REITs are not guaranteed. REITs
2 must distribute ninety percent of their taxable income to investors. This mandatory distribution feature may
3 be attractive to many investors in REITs. Some REITs trade on a national securities exchange and are
4 typically referred to as exchange-traded REITS, or publicly traded REITs. Publicly traded REITs are
5 relatively liquid investments.

6 6. Other REITs are not publicly traded. These non-traded REITs often pay higher distributions
7 than traded REITs, but they also present special risks. Non-traded REITs are illiquid investments which
8 have no ready market. Traded REITs provide share value transparency through their required filings with
9 the Securities Exchange Commission. Non-traded REITs have less share value transparency. It can be
10 difficult to determine the value of shares of non-traded REITs. Because non-traded REITs are not traded on
11 an exchange there is no market price available. Moreover, no independent information about share value is
12 available. Publicly traded REITs typically pay distributions from funds generated by operations. However,
13 non-traded REITs often pay distributions in excess of their funds from operations by borrowing or from new
14 investors' funds. This reduces the value of the non-traded REIT's shares and reduces the cash available to
15 purchase additional assets.
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17 7. Non-traded REITs also present potential conflicts of interest. Non-traded REITs typically
18 have an external manager instead of employees. The non-traded REIT may pay this manager significant fees
19 based on the amount of property acquisitions and assets under management. These fee incentives may not
20 necessarily align with investors' interests. Non-traded REITs generally have higher up-front fees than
21 publicly traded REITs. Sales commissions and up-front offering fees for non-traded REITs usually total
22 approximately nine to ten percent of the investment, lowering the investment's value by a significant
23 amount. Non-traded REITs may also have ongoing acquisition and management fees and other expenses.
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1 8. In or around May, 2011, LPL terminated Brian Brunhaver, ostensibly for communicating
2 with clients through an unapproved email account. Brian Brunhaver's termination caused LPL to transfer
3 Brian Brunhaver's clients' accounts to another LPL representative.

4 9. In June, 2011, Brian Brunhaver submitted an application to the Securities Division for
5 investment adviser registration for BFS. As of the date of this order, that application is pending.

6 10. In or around July, 2011, Pacific West Securities ("Pac West") hired Brian Brunhaver as an
7 independent contractor. Pac West applied for Brian Brunhaver to be registered as an investment adviser
8 representative and securities salesperson. In response to these applications, the Securities Division requested
9 that Pac West submit a plan for heightened supervision of Brian Brunhaver. Pac West did not respond to
10 this request and terminated Brian Brunhaver on or around December 31, 2011. Thus, Brian Brunhaver was
11 never registered as an investment adviser representative or securities salesperson of Pac West in
12 Washington.

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14 *Brian Brunhaver's Representations in Connection with the Offer and Sale of REITs*

15 11. As part of his effort to sell non-traded REITs, Brian Brunhaver represented to at least
16 fourteen clients that the REITs were safe and/or conservative investments, telling one investor there was no
17 risk involved in purchasing a certain REIT, and another that his investment in a REIT would be "safe and
18 sound." Brian Brunhaver told one client that REITs were similar to bonds in terms of safety, and told
19 another client that REITs were "safer than mutual funds." Furthermore, Brian Brunhaver told a client that
20 there was no way she could lose money investing in REITs.

21 12. Brian Brunhaver represented to at least five clients that their principal investments would be
22 guaranteed by the REIT. Moreover, Brian Brunhaver told at least two clients that the government would
23 guarantee their principal investments in REITs.
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1 13. Brian Brunhaver guaranteed the liquidity of certain REITs' interests that were, in fact,
2 illiquid to at least two clients. Brian Brunhaver misrepresented the liquidity of certain REITs' interests to at
3 least three other clients, telling one client that a REIT's interests would become liquid after ten years when
4 they are redeemable only upon the investor's death.

5 14. In an effort to sell REITs to a client, Brian Brunhaver told the client that Brian Brunhaver
6 would waive his commission for the sale of the REIT and deposit the amount of the commission in the
7 customer's REIT balance. Brian Brunhaver repeated this representation to the same client shortly thereafter
8 while trying to sell additional REIT interests to the client. The client purchased REIT interests after each
9 time Brian Brunhaver made this representation. However, on each occasion, Brian Brunhaver neither
10 waived his commission nor deposited an amount equal to the commission in the client's REIT balance.

11 *Unsuitability of REITs for Certain Clients*

12 15. LPL would not process the purchase of non-traded REITs if the transaction violated LPL's
13 policy for acceptable exposure of its clients to non-traded REITs. This policy provided the percentage of a
14 client's liquid net worth that could be invested in non-traded REITs based upon the client's liquid net worth
15 and investment objective. This policy changed during Brian Brunhaver's time at LPL. At its most
16 permissive, this policy dictated that no more than thirty five percent of a client's liquid net worth could be
17 dedicated to non-traded REITs. However, such a client would have to have a liquid net worth in excess of
18 \$5 million and seek aggressive growth for LPL to approve such a concentration. None of the clients
19 described below in paragraphs sixteen through nineteen of the Tentative Findings of Fact met those criteria.

20 16. Brian Brunhaver recommended and sold REITs to a client which resulted in one hundred
21 percent of her investable assets being invested in REITs. This client had no prior investment experience, had
22 only saved money in a savings account, and had instructed Brian Brunhaver that she wanted conservative
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1 investments that would simply pay a higher rate of interest than her savings account. This client had
2 explained to Brian Brunhaver that she would soon be retiring and would need to access her funds in the
3 following few years.

4 17. Brian Brunhaver recommended and sold REITs to another client which resulted in
5 approximately eighty percent of that client's liquid assets being invested in REITs. This client was an
6 inexperienced investor and had told Brian Brunhaver that she was interested in only very conservative
7 investments. This client also told Brian Brunhaver that her husband's income was unpredictable and,
8 therefore, that she would need ready access to her investment funds if her husband's income declined.

9 18. Brian Brunhaver recommended to a couple that they invest at least eighty percent of their
10 liquid assets in a single non-traded REIT. This couple followed this recommendation. These clients were
11 also inexperienced investors and had communicated their concern about losing their principal investment to
12 Brian Brunhaver.

13 19. Furthermore, Brian Brunhaver recommended and sold REITS to another couple such that
14 forty five and thirty five percent of their individual portfolios were comprised of REITs. The only asset this
15 couple owned other than their portfolios at LPL was their home. Moreover, both of these investors were
16 inexperienced and had instructed Brian Brunhaver that they wanted conservative investments. One of these
17 investors told Brian Brunhaver that she wanted the "safest investments possible."

18 20. Brian Brunhaver submitted forms to LPL as part of the purchases of non-traded REITs by the
19 clients described above in paragraphs sixteen through nineteen of the Tentative Findings of Fact that
20 contained inaccurate information concerning those clients' net worth, liquid net worth, investment
21 experience, and investment objectives. Brian Brunhaver instructed at least the clients described above in
22 paragraph nineteen of the Tentative Findings of Fact to sign blank forms which were later submitted to LPL
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1 with inaccurate information. The inaccurate information related to the purchases of clients described above
2 in paragraphs sixteen through nineteen of the Tentative Findings of Fact was intended to make LPL believe
3 that the purchases were consistent with LPL's policy concerning exposure to non-traded REITs.

4 21. Brian Brunhaver also recommended and sold REITs to at least two other clients who had
5 instructed Brian Brunhaver that they wanted conservative investments. The forms Brian Brunhaver
6 submitted to LPL for these clients indicated that neither client had a conservative investment objective.

7 *Unauthorized Alteration of Account Forms*

8 22. Brian Brunhaver's clients completed standard LPL new account forms when they opened
9 accounts with LPL through Brian Brunhaver. The new account forms asked for information concerning the
10 client's financial resources and investment experience.

11 23. One client completed this form by indicating that she had a total annual income between
12 \$50,000 and \$99,999, a net worth between \$50,000 and \$99,999, and a liquid net worth between \$50,000
13 and \$99,999. Prior to submission to LPL and without the client's knowledge or consent, these answers were
14 changed to indicate that the client had a total annual income between \$100,000 and \$249,999, a net worth
15 between \$500,000 and \$749,999, and a liquid net worth between \$250,000 and \$499,999. This client
16 purchased approximately \$75,000 worth of REIT interests through Brian Brunhaver.

17 *Interference with the Securities Division's Investigation*

18 24. As part of its investigation, the Securities Division sent questionnaires to investors who had
19 purchased REITs upon Brian Brunhaver's recommendation. Stacey Brunhaver contacted several of the
20 recipients to offer to "help" them complete the questionnaire. Stacey Brunhaver told these clients that the
21 questionnaires were routine and "no big deal."
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1 25. Brian Brunhaver instructed at least two clients on how to complete the Division's
2 questionnaire. Brian Brunhaver provided inaccurate information to these two clients about the total amount
3 they had invested in REITs, telling one client who had invested \$123,000 that she had invested \$46,000 and
4 telling the other client who had invested \$100,000 that he had invested \$50,000. Brian Brunhaver told these
5 clients that he had not given them "any written or verbal assurances or guarantees of the safety" of REITs
6 when, in fact, he had. Brian Brunhaver told these clients that he had not given them "any written or verbal
7 assurances or guarantees of the performance" of REITs when, in fact, he had. Brian Brunhaver told these
8 clients that he had not given them "any written or verbal assurances or guarantees of [their] profit" from
9 REITs, when, in fact, he had. Brian Brunhaver also told these clients that he had not given them "any other
10 written or verbal assurances or guarantees" about REITs, when, in fact, he had.

11 26. These clients had a long-standing, close relationship with Brian Brunhaver that started before
12 Brian Brunhaver began advising them and they trusted him implicitly. Brian Brunhaver told these clients
13 that the questionnaires were routine and unimportant. These clients were unaware that a complaint had been
14 filed against Respondents or that the questionnaires were a part of that investigation. Because of these
15 factors and a desire to help Brian Brunhaver, these clients returned the questionnaires with the inaccurate
16 responses to the Securities Division.

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18 *Making False or Misleading Statements in a Proceeding under the Securities Act*

19 27. As part of its investigation, the Securities Division sent Brian Brunhaver a letter in
20 December, 2011 instructing him to stop any possible violations of the Securities Act of Washington and
21 requesting information. In a response letter dated January 4, 2012, Brian Brunhaver represented to the
22 Securities Division that he had not had any investment-related communication with Washington clients
23 since May, 2011. In fact, Brian Brunhaver had sent multiple emails to and had had conversations with
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1 clients concerning their investments after May, 2011, including some communications that took place
2 within one week of his January 4, 2012 letter.

3 *Provision of Investment Advisory Services*

4 28. Shortly after his termination by LPL in or around May, 2011, Brian Brunhaver sent emails to
5 his clients to discuss the change. These emails did not state that LPL had terminated Brian Brunhaver.
6 Instead, the emails characterized Brian Brunhaver's departure from LPL as voluntary, stating, "[a]fter long
7 review and consideration, we have come to the conclusion that it is in our best interests to look at other
8 avenues to provide [financial] services..." and "[w]e have decided to look at other strategic partnerships
9 outside of LPL Financial." Brian Brunhaver sent other emails to his clients discussing his search for
10 "partnerships." None of these emails disclosed that LPL had terminated Brian Brunhaver.

11 29. At or around this time, Brian Brunhaver began regularly contacting his clients to explain his
12 registration status, stating that BFS's investment adviser registration would be approved very soon. Brian
13 Brunhaver also discussed clients' portfolios in these communications.

14 30. On or around January 4, 2012, Stacey Brunhaver contacted the custodian of one of Brian
15 Brunhaver's client's accounts at the client's request. Stacey Brunhaver successfully transferred
16 approximately \$5,374 to the client's checking account.

17 31. Beginning no later than January, 2012, Brian Brunhaver or Stacey Brunhaver began
18 contacting clients by phone and attempting to arrange meetings to discuss the clients' portfolios, telling
19 clients that BFS is "up and running" or "back in business." As of the date of this order, at least fifteen such
20 phone calls have been made.

21 32. Brian Brunhaver and Stacey Brunhaver, in response to questions from these clients about
22 BFS's and Brian Brunhaver's registration status, have told clients that they can each provide investment
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1 advisory services for compensation to up to fifteen Washington clients without the benefit of registration.

2 The claim by the Brunhavers that they did not need to be registered was not accurate.

3 33. Beginning in or around March, 2012, Brian Brunhaver's clients began transferring their
4 accounts from the custody of the representative to whom they had been transferred after Brian Brunhaver's
5 termination by LPL to the retail side of TD Ameritrade, an online broker-dealer. As of the date of this
6 order, approximately thirty of Brian Brunhaver's clients have moved their accounts to retail, mostly with
7 TD Ameritrade. Stacey Brunhaver helped at least two clients make this move and has electronic access to at
8 least one of those accounts at TD Ameritrade.

9 34. In April, 2012, two of Brian Brunhaver's clients who had been contacted by Brian
10 Brunhaver or Stacey Brunhaver made payments totaling \$2,025 from TD Ameritrade accounts to
11 "Brunhaver Consulting," a trade name of BFS first registered on March 28, 2012. One of these clients
12 opened a TD Ameritrade retail account with Stacey Brunhaver's assistance and provided access to the
13 account to Stacey Brunhaver as well.
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15 CONCLUSIONS OF LAW

16 Based upon the above Findings of Fact, the following Conclusions of Law are made:
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18 1. The offer or sale of interests in real estate investment trusts as described above constitute the
19 offer or sale of a security as defined at RCW 21.20.005(14) and (17).

20 2. Brian H. Brunhaver violated RCW 21.20.010 because, as set forth in paragraphs eleven
21 through fourteen of the Tentative Findings of Fact, Brian H. Brunhaver, in connection with the offer or sale
22 of non-traded REITs, made untrue statements of material fact or omitted to state material facts necessary to
23 make the statements made, in light of the circumstances under which they were made, not misleading.
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1 3. Brian H. Brunhaver, by guaranteeing clients against loss, as defined in WAC 460-22B-
2 090(14), and set forth in paragraph twelve of the Tentative Findings of Fact, has committed a dishonest or
3 unethical practice which is a ground, pursuant to RCW 21.20.110(1)(g), to deny any investment adviser,
4 investment adviser representative, and securities salesperson registrations Brian H. Brunhaver may file in
5 the future.

6 4. Brian H. Brunhaver violated RCW 21.20.702 because, as set forth in paragraphs fifteen
7 through nineteen of the Tentative Findings of Fact, Brian H. Brunhaver recommended the purchase of non-
8 traded REITs without reasonable grounds to believe that the recommendation was suitable. Such conduct is
9 a ground for denial of any investment adviser, investment adviser representative, and securities salesperson
10 registrations Brian H. Brunhaver may file in the future pursuant to RCW 21.20.110(1)(b).

11 5. Brian H. Brunhaver, as set forth in paragraphs fifteen through nineteen of the Tentative
12 Findings of Fact, engaged in one or more dishonest or unethical practices in the securities business as
13 defined by WAC 460-22B-090(7) by recommending that a customer purchase a security without reasonable
14 grounds to believe such a recommendation or purchase was suitable. Such practice is a ground, pursuant to
15 RCW 21.20.110(1)(g), to deny any securities salesperson registration Brian H. Brunhaver may file in the
16 future.

17 6. Brian H. Brunhaver committed dishonest or unethical business practices, as defined by WAC
18 460-22B-090 and in violation of WAC 460-22B-090(3), by providing inaccurate information concerning his
19 clients to LPL as set forth in paragraph twenty of the Tentative Findings of Fact. Such conduct is a ground,
20 pursuant to RCW 21.20.110(1)(g), to deny any investment adviser, investment adviser representative, or
21 securities salesperson registrations Brian H. Brunhaver may file in the future..
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1 7. Brian H. Brunhaver committed dishonest or unethical business practices, as defined by WAC
2 460-22B-090, by altering a client's form without her consent or knowledge, as set forth in paragraphs
3 twenty two and twenty three of the Tentative Findings of Fact. Such conduct is a ground, pursuant to RCW
4 21.20.110(1)(g), to deny any investment adviser, investment adviser representative, or securities salesperson
5 registrations Brian H. Brunhaver may file in the future. Such conduct is also a ground, pursuant to RCW
6 21.20.110(1), to impose a fine.

7 8. As set forth in paragraph twenty seven of the Tentative Findings of Fact, Brian H. Brunhaver
8 violated RCW 21.20.350 by making, in a proceeding under the Securities Act of Washington, statements
9 which were false or misleading.

10 9. Brunhaver Financial Services, LLC, Brian H. Brunhaver, and Stacey L. Brunhaver each
11 violated RCW 21.20.040(3) by transacting business in the State of Washington as an investment adviser or
12 as an investment adviser representative, as set forth in paragraphs twenty nine through thirty four of the
13 Tentative Findings of Fact, while not registered or exempt from registration. Such conduct is a ground,
14 pursuant to RCW 21.20.110(1)(b), to deny Brunhaver Financial Services, LLC's investment adviser
15 registration and any investment adviser registration it may file in the future. Such conduct is a ground,
16 pursuant to RCW 21.20.110(1)(b), for denial of any investment adviser, investment adviser representative,
17 and securities salesperson registrations Brian H. Brunhaver may file in the future. Such conduct is a ground,
18 pursuant to RCW 21.20.110(1)(b), for denial of any investment adviser, investment adviser representative,
19 and securities salesperson registrations Stacey L. Brunhaver may file in the future.
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EMERGENCY

The Securities Division believes that Respondents and their agents are currently attempting to provide investment advisory services for compensation to Washington residents without the benefit of registration. These efforts and Respondents’ demonstrated willingness to intentionally make false or misleading statements in a proceeding under the Securities Act and to interfere with the Securities Division’s investigation cause the Securities Administrator to find that an emergency exists, that continued violations of the Securities Act of Washington constitute a threat to the investing public, and that a Summary Order to cease and desist from violating the Securities Act of Washington and to deny Brunhaver Financial Services, LLC’s investment adviser application is in the public interest and necessary for the protection of the investing public.

SUMMARY ORDER TO CEASE AND DESIST

Based upon the foregoing:

NOW, THEREFORE, IT IS HEREBY SUMMARILY ORDERED under the authority of RCW 21.20.390, that Respondent Brian H. Brunhaver and his agents and employees shall each cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act of Washington; RCW 21.20.040, the section of the Securities Act of Washington requiring registration of investment advisers and investment adviser representatives; and 21.20.350, the section of the Securities Act of Washington prohibiting false or misleading statements in proceedings under the Securities Act of Washington.

It is further SUMMARILY ORDERED under the authority of RCW 21.20.390, that Stacey L. Brunhaver and her agents and employees shall each cease and desist from violating RCW 21.20.040, the

1 section of the Securities Act of Washington requiring registration of investment advisers and investment
2 adviser representatives.

3 It is further SUMMARILY ORDERED under the authority of RCW 21.20.390, that Brunhaver
4 Financial Services and its agents and employees shall each cease and desist from violating RCW 21.20.040,
5 the section of the Securities Act of Washington requiring registration of investment advisers and investment
6 adviser representatives.

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8 **SUMMARY ORDER DENYING INVESTMENT ADVISER REGISTRATION**

9 Based upon the foregoing and finding it in the public interest and necessary and appropriate for the
10 protection of investors:

11 NOW, THEREFORE, IT IS HEREBY SUMMARILY ORDERED under the authority of RCW
12 21.20.110(1)(b) and 21.20.110(3), that Brunhaver Financial Services, LLC's application for investment
13 adviser registration is denied.

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15 **NOTICE OF INTENT TO DENY FUTURE REGISTRATIONS**

16 Pursuant to RCW 21.20.110, and based upon the above Tentative Findings of Fact and Conclusions
17 of Law, the Securities Administrator intends to deny any investment adviser registration Brunhaver
18 Financial Services, LLC may file in the future. Pursuant to RCW 21.20.110, and based upon the above
19 Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to deny any
20 investment adviser, investment adviser representative, and securities salesperson registrations Brian H.
21 Brunhaver may file in the future. Pursuant to RCW 21.20.110, and based upon the above Tentative Findings
22 of Fact and Conclusions of Law, the Securities Administrator intends to deny any investment adviser,
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1 investment adviser representative, and securities salesperson registrations Stacey L. Brunhaver may file in
2 the future.

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4 **NOTICE OF INTENT TO IMPOSE A FINE**

5 Pursuant to RCW 21.20.110 and 21.20.395, and based upon the above Tentative Findings of Fact
6 and Conclusions of Law, the Securities Administrator intends to order that Respondent Brian H. Brunhaver
7 shall be liable for and shall pay a fine of \$50,000.

8
9 **NOTICE OF INTENT TO CHARGE COSTS**

10 Pursuant to RCW 21.20.390, and based upon the Tentative Findings of Fact and Conclusions of
11 Law, the Securities Administrator intends to order that Respondents, Respondents, Brunhaver Financial
12 Services, LLC, Brian H. Brunhaver, and Stacey L. Brunhaver shall be jointly and severally liable for and
13 shall pay investigative costs of not less than \$10,000.

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16 **AUTHORITY AND PROCEDURE**

17 This Summary Order is entered pursuant to the provisions of Chapter 21.20 RCW and is subject to
18 the provisions of Chapter 34.05 RCW. The Respondents, Brunhaver Financial Services, LLC, Brian H.
19 Brunhaver, and Stacey L. Brunhaver, may each make a written request for a hearing as set forth in the
20 NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
21 Order. If a Respondent does not make a hearing request in the time allowed, the Securities Administrator
22 intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final and to enter an order
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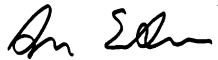
1 to deny registrations as to that respondent, to impose any fines sought against that respondent, and to charge
2 any costs sought against that respondent.
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5 Signed and Entered this 26th day of June 2012.
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10 William M. Beatty
Securities Administrator

11 Approved by:

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15 Suzanne Sarason
Chief of Enforcement

11 Presented by:

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15 Edward R. Thunen
Enforcement Attorney

16 Reviewed by:

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18 

19
20 Jack McClellan
Financial Legal Examiner Supervisor