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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

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IN THE MATTER OF DETERMINING) Order No.: S-12-1127-12-SC01
Whether there has been a violation of the)
Securities Act of Washington by:) STATEMENT OF CHARGES AND NOTICE OF INTENT
Dustin Lee Settle,) TO ENTER ORDER TO CEASE AND DESIST, DENY
Respondent.) FUTURE REGISTRATIONS, IMPOSE FINES, AND
) CHARGE COSTS
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THE STATE OF WASHINGTON TO: Dustin Lee Settle (CRD #2873230)

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STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the state of Washington has reason to believe that Respondent, Dustin Lee Settle, violated the Securities Act of Washington and that these violations justify the entry of an order of the Securities Administrator against him under RCW 21.20.390 to cease and desist from such violations, under RCW 21.20.110(1) to deny future securities registration applications, under RCW 21.20.110(1) and RCW 21.20.395 to impose fines, and under RCW 21.20.110(7) and RCW 21.20.390 to charge costs. The Securities Administrator finds as follow:

TENTATIVE FINDINGS OF FACT

Respondent

1. Dustin Lee Settle (Settle) is an individual residing in Gig Harbor, Washington. Settle is not currently registered with the Washington State Securities Division in any capacity. He was previously registered with the Washington State Securities Division as a securities salesperson for LPL Financial, LLC (LPL), a Financial Industry Regulatory Authority (FINRA) member firm, from September 21, 2007 to April 13, 2011. Prior to that, he was registered as a securities salesperson for Northwestern Mutual Investment Services, LLC from March 24, 1997 to July 12, 2007. Settle has a Central Registration Depository (CRD) number of 2873230.

Nature of the Conduct

2. On September 17, 2008, Settle became the subject of a federal tax lien in the amount of \$76,388.98. Between September 25, 2009 and February 28, 2010, Settle entered into at least five financial compromises with creditors in

1 order to avoid personal bankruptcy. On June 3, 2010, Settle became the subject of a federal tax lien in the amount of
2 \$56,140. On December 6, 2010, Settle was arrested and charged with assault in the first degree and assault in the third
3 degree for allegedly running his wife over with his car. On February 18, 2011, Settle pled guilty to the lesser charge of
4 felony harassment. On April 11, 2011, Settle informed his employer, LPL, that he pled guilty to a felony. Upon
5 learning of Settle's felony conviction, LPL discharged Settle.

6 3. A Form U4, the Uniform Application for Securities Industry Registration or Transfer form, must be
7 completed in order to register as a securities salesperson. The Form U4 contains history and background information
8 of registered representatives, including, but not limited to, criminal history, financial compromises, and liens. Any
9 person registered as a broker-dealer with the Washington State Securities Division (the Division) has a duty to keep
10 current his/her Form U4 with the Division. If anything changes, the registered representative must file with the
11 Division an amended Form U4 within 30 days. This amended Form U4 requires the applicant to explain the details of
12 each change on a separate document called a Disclosure Reporting Page (DRP). Settle failed to file an amended Form
13 U4 within 30 days of each of his financial compromises, his 2010 federal tax lien, his two felony charges, and his
14 felony conviction.

15 4. The Form U4 asks whether the applicant, within the past ten years, has made any financial compromises with
16 creditors. From November 13, 2009 through September 27, 2010, Settle filed five separate Form U4 disclosure
17 amendments with the Division on which he falsely answered "no" to that question each time.

18 5. The Form U4 asks whether the applicant has any unsatisfied liens against him/her. From July 9, 2010 through
19 March 12, 2011, Settle filed three separate Form U4 disclosure amendments with the Division. Although Settle
20 answered "yes" to this question, he only disclosed on a DRP that, on September 17, 2008, he became subject to a
21 federal tax lien. Settle did not disclose on a separate DRP that, on June 3, 2010, he became subject to another federal
22 tax lien.

23 6. The Form U4 asks whether the applicant has ever been (a) charged with a felony or (b) convicted of a felony.
24 On March 12, 2011, Settle filed a Form U4 disclosure amendment with the Division on which he falsely answered
25 "no" to both of these questions.

FINRA Action

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7. From September 24, 2007 to April 13, 2011, Settle was registered with LPL, a FINRA member firm. Because Settle was associated with a FINRA member firm, he was required to comply with FINRA rules.

8. On or about August 22, 2012, Settle submitted to FINRA a Letter of Acceptance, Waiver, and Consent (AWC). FINRA accepted Settle's AWC on September 24, 2012. In Settle's AWC he consented, without admitting or denying the findings, to the entry of FINRA's findings that he willfully violated FINRA Rules 1122 and 2010, and Article V, Section 2 of the FINRA By-Laws when he failed to amend his Form U4, within 30 days, with each of his financial compromises, his federal tax lien, his two felony charges, and, within 10 days, his felony conviction. Further, Settle consented to the imposition of an eighteen month suspension from associating with any FINRA member firm.

CONCLUSIONS OF LAW

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

I.

Dustin Lee Settle violated RCW 21.20.350 by filing six Form U4 disclosure amendments with the Division that falsely answered and/or failed to disclose his financial compromises, federal tax lien, felony charges, and/or felony conviction. These six Form U4 amendments were false or misleading in a material respect. Such conduct is grounds for a fine and denial of his future securities registration applications pursuant to RCW 21.20.110(1)(a) and RCW 21.20.110(1)(b).

II.

Dustin Lee Settle violated WAC 460-22B-060 by failing to file a Form U4 disclosure amendment with the Division to report his financial compromises, federal tax lien, felony charges, and felony conviction within 30 days of the occurrence of the event. Such conduct is grounds for a fine and denial of his future securities registration applications pursuant to RCW 21.20.110(1)(a) and RCW 21.20.110(1)(b).

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III.

Dustin Lee Settle was convicted of felony harassment. This felony involved moral turpitude and is grounds for a fine and denial of his future securities registration applications pursuant to RCW 21.20.110(1)(c).

IV.

Dustin Lee Settle violated FINRA rule 1122, FINRA Rule 2010, and Article V, Section 2 of the FINRA By-Laws by failing to disclose to his employer or FINRA, within 30 days, that he entered into at least five financial compromises with creditors, that he was subject to a federal tax lien, that he was charged with two felonies, and, within 10 days, that he was convicted of a felony. Such conduct is a dishonest or unethical practice as defined by WAC 460-22B-090(19), and is grounds for a fine and denial of his future securities registration applications pursuant to RCW 21.20.110(1)(g).

V.

Dustin Lee Settle's eighteen month suspension by FINRA, a self-regulatory organization, from associating with any FINRA member firm is grounds for a fine and denial of his future securities registration applications pursuant to RCW 21.20.110(e)(iii).

NOTICE OF INTENT TO DENY FUTURE REGISTRATIONS

Pursuant to RCW 21.20.110(1), and based upon the above Tentative Findings of Fact and Conclusions of Law, The Securities Administrator intends to deny any broker-dealer, securities salesperson, investment adviser, and investment adviser representative registrations Dustin Lee Settle may file in the future.

NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST

Pursuant to RCW 21.20.390(1) and based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that Respondent, Dustin Lee Settle, shall cease and desist from violations of RCW 21.20.350.

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NOTICE OF INTENT TO IMPOSE A FINE

Pursuant to RCW 21.20.110(1) and RCW 21.20.395, and based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that Respondent, Dustin Lee Settle, shall be liable for and shall pay a fine of \$10,000.

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NOTICE OF INTENT TO CHARGE COSTS

Pursuant to RCW 21.20.110(7) and RCW 21.20.390, and based upon the Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that Respondent, Dustin Lee Settle, shall be liable for and shall pay investigative costs of not less than \$2,500.

AUTHORITY AND PROCEDURE

This Statement of Charges is entered pursuant to the provisions of Chapter 21.20 RCW and is subject to the provisions of Chapter 34.05 RCW. The respondent, Dustin Lee Settle, may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Order. If a respondent does not make a hearing request in the time allowed, the Securities Administrator intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final and to enter a permanent order to cease and desist as to that respondent, to impose any fines sought against that respondent, and to charge any costs sought against that respondent.

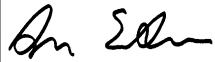
Signed and Entered this 1st day of February 2013.



William M. Beatty
Securities Administrator

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Approved by:



Suzanne Sarason
Chief of Enforcement

Presented by:



Brian J. Guerard
Financial Legal Examiner

Reviewed by:



Jack McClellan
Financial Legal Examiner Supervisor