

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING
5 whether there has been a violation of the
6 Securities Act of Washington by:

7 CASCADIA CAPITAL MANAGEMENT,
8 INC. (IARD # 0164579) and JOEL
9 WILLIAMS (CRD # 4553076),

Respondents.

Order Number S-14-1467-14-TO01

SUMMARY ORDER TO SUSPEND
REGISTRATIONS AND NOTICE OF
INTENT TO REVOKE REGISTRATIONS,
IMPOSE A FINE, AND CHARGE COSTS

10 THE STATE OF WASHINGTON TO: CASCADIA CAPITAL MANAGEMENT, INC.,
11 IARD # 0164579
12 JOEL WILLIAMS, CRD # 4553076

13 **STATEMENT OF CHARGES**

14 Please take notice that the Securities Administrator of the State of Washington has reason to
15 believe that the Respondents, Cascadia Capital Management, Inc. (“Cascadia Capital Management”) and
16 Joel Williams, have each violated the Securities Act of Washington. The Securities Administer further
17 believes that those violations justify the entry of an order pursuant to RCW 21.20.110 to revoke
18 Respondents’ registrations, impose a fine, and charge costs. Furthermore, the Securities Administrator
19 finds that delay in ordering the suspension of the Respondents’ registration would be hazardous to the
20 public and that the Respondents’ registrations should be suspended immediately.

21 The Securities Administrator finds as follows:

22 **TENTATIVE FINDINGS OF FACT**

23 **RESPONDENTS**

24 1. Cascadia Capital Management is a Washington corporation registered with the Washington
25 State Securities Division as an investment adviser under file number 30003368. Cascadia Capital

1 Management is located at 701 Fifth Avenue, Suite 4200, Seattle, WA 98104. Cascadia Capital
2 Management's Investment Adviser Registration Depository ("IARD") number is 0164579.

3 2. Joel Williams is the registered agent and president of Cascadia Capital Management. He is
4 registered with the Washington State Securities Division as the sole investment adviser representative of
5 Cascadia Capital Management. He is not registered with any other investment adviser or federally
6 covered adviser. His Central Registration Depository number is 05467192.

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8 NATURE OF THE CONDUCT

9 3. Each investment adviser registered with the Securities Division must make annual filings
10 with the director within ninety days after the investment adviser's fiscal year end.

11 4. An investment adviser must, under WAC 460-24A-060, file with the Securities Division a
12 fiscal year-end balance sheet. The Securities Division reviews these balance sheets to determine whether
13 the investment adviser meets the minimum financial requirements as set forth in WAC 460-24A-170.

14 5. An investment adviser must, under WAC 460-24A-205, file an updated Form ADV with
15 IARD. This annual amendment must include any changes to Form ADV Parts 1 and 2. The Securities
16 Division reviews the Form ADV to determine whether the investment adviser is making necessary
17 disclosures to investors.

18 6. Cascadia Capital Management has a fiscal year-end of December 31. The 2013 fiscal year-
19 end balance sheet and annual amendment to Form ADV were due by March 31, 2014.

20 7. The Securities Division attempted to contact Respondents regarding the deadline to file a
21 balance sheet and an annual update to Form ADV for Cascadia Capital Management. The Securities
22

1 Division sent six electronic mail (“e-mail”) messages, three letters by postal services, and called two
2 times.

3 8. Respondents have not responded to the six email messages, three letters, or two telephone
4 calls.

5 9. As of the date of this Order, Respondents have not submitted a 2013 fiscal year-end balance
6 sheet or an annual update to Form ADV.

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

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9 **CONCLUSIONS OF LAW**

10 1. As set forth in the Tentative Findings of Facts, Respondent, Cascadia Capital Management,
11 has willfully violated WAC 460-24A-060 by failing to file a balance sheet for the year ended December
12 31, 2013. Such conduct constitutes grounds for an order to suspend and revoke the investment adviser
13 registration of Cascadia Capital Management under RCW 21.20.110(1)(b).

14 2. As set forth in the Tentative Findings of Facts, Respondent, Cascadia Capital Management,
15 has willfully violated WAC 460-24A-205 by failing to file an annual update to Form ADV Parts 1 and 2
16 for the year ended December 31, 2013. Such conduct constitutes grounds for an order to suspend and
17 revoke the investment adviser registration of Cascadia Capital Management under RCW 21.20.110(1)(b).

18 3. As set forth in the Tentative Findings of Facts, Joel Williams as the person who controls
19 Cascadia Capital Management is responsible for Cascadia Capital Management’s violations of WAC 460-
20 24A-060 and WAC 460-24A-205. Such conduct constitutes grounds for an order to suspend and revoke
21 an investment adviser representative registration under RCW 21.20.110(6).

1 4. The willful violations of WAC 460-24A-060 and WAC 460-24A-205 each constitute a
2 ground for the entry of an order imposing fines under RCW 21.20.110(1).

3 5. The willful violations of WAC 460-24A-060 and WAC 460-24A-205 each constitute a
4 ground for the entry of an order charging costs under RCW 21.20.110(7).

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6 **EMERGENCY**

7 The Securities Division has been unable to conduct its annual review of Cascadia Capital
8 Management's investment adviser business practices because Joel Williams has failed to make its required
9 filings. Further, the Securities Division cannot determine whether Respondent meets the minimum
10 financial requirements for investment advisers or is providing investors with proper disclosure. Therefore,
11 the Securities Administrator finds that an emergency exists, that the continued violations of WAC 460-
12 24A-060 and WAC 460-24A-205 constitute a threat to the investing public, and that a summary order
13 suspending the Respondents' registrations is in the public interest and necessary for the protection of the
14 investing public.

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16 **NOTICE OF INTENT TO REVOKE REGISTRATION**

17 Pursuant to RCW 21.20.110(1), and based upon the above Tentative Findings of Facts and
18 Conclusions of Law, the Securities Administrator intends to order that respondent Cascadia Capital
19 Management's investment adviser registration and that respondent Joel Williams' investment adviser
20 representative registration be revoked.

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22 **NOTICE OF INTENT TO IMPOSE FINES**

1 Pursuant to RCW 21.20.110(1), and based upon the above Tentative Findings of Facts and
2 Conclusions of Law, the Securities Administrator intends to order that Cascadia Capital Management and
3 Joel Williams shall each be liable for and shall pay a fine of \$1,000.

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5 **NOTICE OF INTENT TO CHARGE COSTS**

6 Pursuant to RCW 21.20.110(7) and based upon the above Tentative Findings of Facts and
7 Conclusions of Law, the Securities Administrator intends to order that Cascadia Capital Management and
8 Joel Williams shall each be liable for and shall pay costs of \$200.

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10 **SUMMARY ORDER**

11 **BASED ON THE FOREGOING:**

12 **NOW, THEREFORE IT IS HEARBY SUMMARILY ORDERED,** under the authority of RCW
13 20.20.110(1) and (3) that the investment adviser registration of respondent Cascadia Capital Management
14 and the investment adviser representative registration of respondent Joel Williams are suspended.

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16 **AUTHORITY AND PROCEDURE**

17 This Order is entered pursuant to the provisions of chapter 21.20 RCW and is subject to the
18 provisions of RCW 21.20.120 and Chapter 34.05 RCW. The Respondents may each make a written
19 request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND
20 OPPORTUNITY FOR HEARING accompanying this Order. If a Respondent does not request a hearing,
21 the Securities Administrator intends to adopt the foregoing Tentative Findings of Fact and Conclusions

1 of Law as final, and enter a permanent order revoking registration, imposing the fine sought, and charging
2 costs.

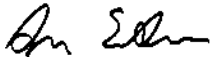
3 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

4 DATED AND ENTERED this 25th day of April, 2014.

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8 William M. Beatty
9 Securities Administrator

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11 Approved by:

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14 Suzanne Sarason
15 Chief of Enforcement

16 Presented by:

17 

18 Kristen Standifer
19 Compliance Legal Examiner