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

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

Order Number S-14-1540-14-CO01

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Steven M. Jossi

CONSENT ORDER

Respondent.

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On October 8, 2014, the Securities Administrator of the State of Washington issued Statement of Charges and Notice of Intent to Deny Future Registrations S-14-1540-14-SC01 against Steven M. Jossi. The Securities Division, State of Washington, and Steven M. Jossi do hereby agree to this CONSENT ORDER in settlement of the above-captioned matter. Steven M. Jossi neither admits nor denies the Findings of Fact and Conclusions of Law as stated below.

FINDINGS OF FACT

Respondent

1. Steven M. Jossi (“Jossi”) is an Oregon resident. During the period relevant to this Consent Order, Jossi was a member of Pinnacle Wealth Advisors (“Pinnacle”) (IARD #117517) and was registered in Oregon as an investment adviser representative. Jossi was registered as an investment adviser representative in the state of Oregon between 2004 and March 2014. On June 21, 2012, Jossi filed an application for investment adviser representative registration with the Securities Division. Jossi withdrew the application on March 21, 2014.

CONSENT ORDER

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DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

1 Nature of the Conduct

2 2. Jossi assisted his mother (“Mrs. Jossi”) with management of her financial affairs by, among
3 other things, providing investment advisory services to his mother from September 2003 through
4 Pinnacle for two accounts for which Charles Schwab & Co., Inc. (“Schwab”) acted as custodian. After
5 his mother died on February 6, 2013, Jossi served as personal representative of her estate.

6 3. Schwab’s custodial platform, www.schwabadvisorcenter.com, instructed account
7 representatives to immediately notify Schwab of a client’s death. After being notified of an account
8 holder’s death, Schwab suspends all trading in the account. Schwab will not lift the restriction until it
9 receives acceptable documentation from the estate. In Mrs. Jossi’s case, Schwab would have required
10 court-certified letters testamentary, an affidavit of domicile, and a letter of authorization to distribute the
11 assets or journal the funds to an estate account signed by the executor.

12 4. On February 7 and 11, 2013, Jossi liquidated one of his mother’s accounts without
13 notifying Schwab of her death. Jossi placed seven orders to sell in the account when, had Jossi followed
14 Schwab’s policies, trading would have been suspended. Jossi sold a total of a total of \$122,971 worth of
15 mutual fund shares. On or around February 12, 2013, Jossi submitted a Check and Journal Request form
16 to Schwab. The form requested that Schwab issue a check for all the assets in the account. Jossi signed
17 his deceased mother’s signature on this form. Jossi deposited the proceeds in a checking account in his
18 mother’s name. The funds were later distributed to the beneficiaries of Mrs. Jossi’s estate.

19 5. In March 2013, Schwab sent account statements to Jossi’s mother, which were returned as
20 undeliverable. In response, Schwab restricted Mrs. Jossi’s accounts. In an effort to get the restriction on
21 the account lifted, Jossi submitted a change of address form to Schwab on or around July 9, 2013. The
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1 form changed the address on the accounts to Jossi's personal residence. Jossi signed his mother's
2 signature on the form.

3 6. On or around July 11, 2013, Jossi called Schwab and represented that he was Mrs. Jossi.
4 Jossi represented to Schwab's representative that Mrs. Jossi had signed and dated the change of address
5 form.

6 7. In or around October 2013, Jossi was contacted by Pinnacle's chief compliance officer
7 about the transactions in his deceased mother's Schwab account. Jossi initially denied representing that
8 he was Mrs. Jossi during a phone call to Schwab, but later admitted to doing so on at least one occasion.

9 **CONCLUSIONS OF LAW**

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

11 1. Steven M. Jossi, by placing an order to sell a security for the account of his deceased mother
12 in violation of Charles Schwab & Co., Inc.'s policy, has violated RCW 21.20.020 as specified by WAC
13 460-24A-220(4). Such conduct is a ground, pursuant to RCW 21.20.110(1)(b) and 21.20.110(1)(g) to deny
14 any investment adviser representative registration that Steven M. Jossi might seek for a period of three
15 years from the date of entry of this Consent Order.

16 2. Steven M. Jossi, by signing his deceased mother's signature, and by representing he was
17 Mrs. Jossi during a phone call to Charles Schwab & Co. Inc., has violated RCW 21.20.020 as specified by
18 WAC 460-24A-220(20). Such conduct is a ground, pursuant to RCW 21.20.110(1)(b) and 21.20.110(1)(g)
19 to deny any investment adviser representative registration that Steven M. Jossi might seek for a period of
20 three years from the date of entry of this Consent Order.

1 **CONSENT ORDER**

2 IT IS ORDERED that any investment adviser representative registration that Steven M. Jossi
3 might seek for a period of three years from the date of entry of this Consent Order will be denied.

4 IT IS AGREED AND ORDERED that Steven M. Jossi shall pay the Securities Division \$500 for
5 investigative costs, prior to entry of this Consent Order.

6 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Consent
7 Order.

8 IT IS FURTHER AGREED that Steven M. Jossi enters into this Consent Order freely and
9 voluntarily and with a full understanding of its terms and significance.

10 IT IS FURTHER AGREED that in consideration of the foregoing, Steven M. Jossi waives his
11 right to a hearing and to judicial review of this matter pursuant to RCW 21.20.440 and Chapter 34.05
12 RCW.

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15 SIGNED this 11th day of May, 2015

16 Signed by:

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18 s/ Steven M. Jossi

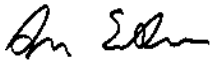
19 _____
Steven M. Jossi

1 SIGNED AND ENTERED this 14th day of May, 2015.

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6 William M. Beatty
7 Securities Administrator

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10 Approved by:

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14 Suzanne Sarason
15 Chief of Enforcement

Presented by:

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18 Edward R. Thunen
19 Financial Legal Examiner

20 Reviewed by:

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23 _____
24 Robert Kondrat
25 Financial Legal Examiner Supervisor