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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: )  
David M. Stryzewski, )  
Respondent. )

Order No. S-16-2066-18-CO02  
CONSENT ORDER

9 Pursuant to the Securities Act of Washington, RCW 21.20, the Securities Division and Respondent David M.  
10 Stryzewski do hereby enter into this CONSENT ORDER in settlement of the matters as alleged herein. Respondent  
11 David M. Stryzewski neither admits nor denies the Findings of Fact and Conclusions of Law as set forth in this Order.

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**FINDING OF FACTS**

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**Respondent**

16 1. David M. Stryzewski (“Stryzewski”), Central Registration Depository number 6186251, has been  
17 registered as an investment adviser representative with the Securities Division from 2016 to present and is a resident of  
18 Mountlake Terrace, Washington.

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**Related Parties**

21 2. Providence Financial Investments, Inc. (“PFI”) and Providence Fixed Income Fund, LLC (“PFIF”) were entities based in Key Biscayne, Florida and purported to be in the business of investing in receivables in Brazil.  
22 From 2011 to 2016, PFI and PFIF offered promissory notes (“the Notes”) to investors and promised them high rates of  
23 interest with profits derived from Brazilian receivable investments purchased with the proceeds of the loans.

24 3. Anthony Buzaneli (Buzanelli”) is the co-founder and CEO of the Providence Group and was a  
25 Managing Director of PFI and PFIF.

## SEC and Related Proceedings

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4. In 2016, the Securities and Exchange Commission (“SEC”) named PFI, PFIF, Buzaneli and others in a civil action entitled Securities and Exchange Commission v. Providence Financial Investments, Inc., et al., Civil Action Number 16-cv-1877 (“the Civil Action”), in the United States District Court for the District of Minnesota.

5. The SEC alleged in the Civil Action that PFI and PFIF raised more than \$64 million from more than 400 investors in the United States through the sale of unregistered promissory notes. The SEC alleged that PFI and PFIF promised to pay investors annual returns generally ranging from 12% to 13% and represented to investors that their investment proceeds would be used to fund the “factoring” of accounts receivable in Brazil. Contrary to those representations, PFI and PFIF diverted significant portions of investor proceeds to uses other than investing in factoring transactions. It was also alleged that PFI and PFIF produced records to the SEC’s staff indicating that they “deployed,” at the most, just over 67% of investors’ money to their purported factoring operations in Brazil, and that neither company has been able to demonstrate that those funds were actually fully invested in factoring transactions.

6. In April, 2018, in the U.S. District Court for the District of Minnesota, Anthony “Antonio” Buzaneli pleaded guilty to conspiracy to commit mail fraud in connection with his role in the offer and sale of PFI and PFIF Notes.

## Nature of Conduct

7. From 2014 to 2016, Stryzewski offered and sold the PFI and PFIF Notes to Washington investors.

8. Stryzewski marketed financial services to investors in person, by phone, and email. Stryzewski offered the Notes to several investors who attended seminars he sponsored that were advertised as providing information on social security.

9. Stryzewski provided investors with written materials and made oral representations that the proceeds of the Notes would be used to fund the factoring of accounts receivable in Brazil. Stryzewski told investors that they would receive high rates of interest ranging from twelve to thirteen per cent and that investors had the option to receive monthly or quarterly interest payments or receive the accrued interest when the Notes matured. Stryzewski assisted

1 investors with the preparation of the investment documents and forwarded the documents to PFI and PFIF. Stryzewski  
2 received approximately \$60,000 in commissions from the sale of the Notes.

3 10. Stryzewski failed to disclose to certain investors that he would receive a six per cent commission on  
4 the sale of the Notes.

### 5 **Registration Status**

6 11. The PFI and PFIF Notes are not currently registered for sell in the state of Washington and have not  
7 previously been so registered.

8 12. Respondent Stryzewski is not currently registered as a securities salesperson or broker-dealer in the state  
9 of Washington and has not previously been so registered.

### 10 **CONCLUSIONS OF LAW**

11 1. The offer and sale of PFI and PFIF Notes as described above constitute the offer and/or sale of a security  
12 as defined in RCW 21.20.005(14) and (17).

13 2. The offer or sale of said securities by Stryzewski are in violation of RCW 21.20.140 because no registration  
14 for such an offer and/or sale is on file with the Securities Administrator, state of Washington.

15 3. Respondent David M. Stryzewski violated RCW 21.20.010 because, as set forth in the Tentative Findings  
16 of Fact, in connection with the offer, sale or purchase of any security, directly or indirectly, made misstatements of material  
17 facts or omitted to state material facts necessary in order to make the statements made, in the light of circumstances under  
18 which they were made, not misleading.

19 4. Respondent David M. Stryzewski violated RCW 21.20.040 by offering or selling said securities while not  
20 registered as a securities salesperson or broker-dealer in the state of Washington.

### 21 **CONSENT ORDER**

22 Based upon the foregoing and finding it in the public interest:

23 IT IS AGREED AND ORDERED that Respondent David M. Stryzewski, his agents and employees shall each  
24 cease and desist from violating RCW 21.20.140, the securities registration section of the Securities Act of Washington.

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IT IS FURTHER AGREED AND ORDERED that Respondent David M. Stryzewski, his agents and employees each shall cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act of Washington.

IT IS FURTHER AGREED AND ORDERED that Respondent Stryzewski, his agents and employees each shall cease and desist from violating RCW 21.20.040, the section of the Securities Act of Washington requiring registration of securities salespersons and broker-dealers.

IT IS FURTHER AGREED that the Respondent Stryzewski shall pay a fine of \$10,000 prior to the entry of the consent order. The Securities Division considers as a mitigating factor in determining the fine Respondent Stryzewski's repayments to investors through rescission agreements.

IT IS FURTHER AGREED that the Respondent Stryzewski shall pay investigative costs of \$7,000 prior to the entry of the consent order.

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

IT IS FURTHER AGREED that Respondent David M. Stryzewski entered into this Consent Order freely and voluntarily and with a full understanding of its terms and significance.

IT IS FURTHER AGREED that in consideration of the foregoing, Respondent David M. Stryzewski waives his right to a hearing and to judicial review of this matter pursuant to RCW 21.20.440 and Chapter 34.05 RCW.

WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

Signed this 15<sup>th</sup> day of November, 2018.

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/s/  
David M. Stryzewski

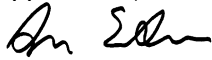
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/s/  
Approved as to form by:  
Greg Hollon, WSBA #26311  
Attorney for Respondent David M. Stryzewski

SIGNED and ENTERED this 11th day of December, 2018.



William M. Beatty  
Securities Administrator

Approved by:



Suzanne Sarason  
Chief of Enforcement

Presented by:



Martin Cordell  
Financial Legal Examiner

Reviewed by:

Jack McClellan  
Financial Legal Examiner Supervisor