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:

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Order No.: S-19-2645-20-CO01

CONSENT ORDER

DAVID BAKER (CRD 809683) and BAKER & ASSOCIATES, LLC (CRD 305284),

Respondents.

THE STATE OF WASHINGTON TO:

DAVID BAKER, CRD 809683 BAKER & ASSOCIATES, LLC, CRD 305284

INTRODUCTION

Pursuant to the Securities Act of Washington, Chapter 21.20 RCW, the Securities Administrator 11 12 of the Department of Financial Institutions Securities Division ("Securities Division") and the respondents, 13 David Baker and Baker & Associates, LLC ("Respondents") do hereby enter into this Consent Order in 14 settlement of the matters alleged herein. The Securities Division believes that entry of an agreed consent 15 order is in the public interest and is appropriate for the protection of investors. The Securities Division and 16 Respondents jointly set forth the following Findings of Fact and Conclusion of Law. 17 **FINDINGS OF FACT** 18 Respondents 19 1. Respondent David Baker is a Washington resident. From November 1996 to December 31, 20 2010, he was registered in Washington state as an investment adviser representative of Pacific West 21 Financial Consultants Inc. and as a securities salesperson of Pacific West Securities, Inc. Since January 1, 22 2011, Mr. Baker has not been registered in Washington state as an investment adviser representative or 23 CONSENT ORDER DEPARTMENT OF FINANCIAL INSTITUTIONS 1 Securities Division PO Box 9033 24 Olympia, WA 98507-9033 360-902-8760 25

1	securities salesperson. Mr. Baker has at no time been registered as an investment adviser in Washington
2	state. Mr. Baker's Central Registration Depository (CRD) number is 809683.
3	2. Respondent Baker & Associates, LLC ("Baker & Associates") is a Washington limited
4	liability company formed on March 28, 2003. Its principal office is in Spokane, Washington. Mr. Baker is
5	Baker & Associates' owner, president, and chief compliance officer. Baker & Associates has at no time
6	been registered as an investment adviser or broker-dealer in Washington state. Baker & Associates' CRD
7	number is 305284.
8	Nature of the Conduct
9	3. From on or before March 22, 2019 to the present, Respondents have maintained a website,
10	www.baker-associates.com.
11	4. From on or before March 22, 2019 to August 10, 2020, the website contained the following
12	statements:
13	a. A heading near the top of each page on the website stated, "Baker & Associates, LLC.
14	Financial Advisor".
15	b. The homepage included the statement, "Prepare for your future with our financial
16	planning services."
17	c. The homepage included a section entitled, "Over 45 Years of Financial Expertise[,]
18	Free Initial Consultations Available."
19	d. A section on the homepage entitled, "A Word from Our Founder", began with the
20	following statement: "My name is David Baker, and I earned my MBA in 1972 and
21	have been a financial advisor for 46 years. I want to use my knowledge of the financial
22	industry to serve your needs and help you plan for your future."
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- 5. On March 22, 2019, the page www.baker-associates.com/retirement-income-planning
 contained the statement, "We will sit down with you and create a financial plan that meets your needs,
 objectives, financial structure, and risks tolerances." At some point prior to May 27, 2020, the page was
 modified to state, "We will sit down with you and provide a financial planning service that will meet your
 needs, objectives, financial structure, and risks tolerances."
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6. From on or before April 20, 2020 to August 10, 2020, the page www.bakerassociates.com/contact included the heading, "Retirement and Financial Planning Services in Spokane, WA", and the statement, "Thank you for your interest in our financial planning service in Spokane, WA."

9 7. On March 25, 2019, the Securities Division sent a warning letter to Respondents. The letter
10 informed Respondents that they could not hold themselves out as a "financial advisor" unless registered as
11 an investment adviser or exempt from registration.

12 8. In a letter dated July 24, 2019, the Securities Division informed Mr. Baker that he could not
13 state that he was providing financial planning services unless he was registered as an investment adviser.

9. After receiving notice from the Securities Division about restrictions on the use of the terms
"financial advisor" and "financial planning" by those not registered as investment advisers, the homepage
for www.baker-associates.com was modified to state, "We help clients with financial planning including
tax free retirement income and estate planning."

18 10. After receiving notice from the Securities Division about restrictions on the use of the terms
 ''financial advisor'' and ''financial planning'' by those not registered as investment advisers, Respondents
 added to their website an additional page, www.baker-associates.com/ira-advisor. This page included a
 heading, ''IRA Investment Advisor in Spokane, WA.'' The heading was followed by the statement, ''Baker
 & Associates, LLC is a IRA investment advisor in Spokane, WA.'' The page also included the statement,

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"Contact us today for all of your financial planning needs. We are proud to serve our clients in Spokane,
 WA, and surrounding areas."

- 3 11. For over one year after receiving notice from the Securities Division, Respondents
 4 continued to hold themselves out as a financial advisor on the website www.baker-associates.com.
- 5 12. For over ten months after receiving notice from the Securities Division, Respondents
 6 continued to offer financial planning services on www.baker-associates.com. Additional references to the
 7 financial planning services offered by Respondents were added to the website since March 22, 2019.

8 13. As of August 10, 2020, the website www.baker-associates.com has been modified to
9 remove the terms "financial advisor" and "IRA investment adviser" and to remove all references to
10 financial planning services.

Based upon the above Findings of Fact, the following Conclusion of Law is made:

CONCLUSION OF LAW

Respondents acted as an investment adviser and/or an investment adviser representative, as
 defined in RCW 21.20.005(8) and (9), by holding themselves out as an "IRA investment advisor", as a
 "financial advisor", and as providing financial planning services. By doing so while not registered as an
 investment adviser and/or an investment adviser representative, or exempt from such registration, in the
 state of Washington, Respondents violated RCW 21.20.040(4). Such violations constitute a basis for
 entering an order to cease and desist and to charge costs under RCW 21.20.390 and to impose a fine under
 RCW 21.20.395.

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Based on the foregoing and finding it in the public interest:

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IT IS AGREED AND ORDERED that Respondents will cease and desist from violations of RCW
 21.20.040(4).

IT IS FURTHER AGREED AND ORDERED that Respondents will cease and desist from holding
themselves out using the terms "financial advisor", "financial planning", "investment advisor", or any term
similar to financial planner as specified in WAC 460-24A-040(2) unless use of the term is in compliance
with Chapter 21.20 RCW and the rules promulgated thereunder.

7 IT IS FURTHER AGREED AND ORDERED that Respondents shall be liable for and pay a fine of
8 \$10,000. Due to Respondents' financial condition, \$8,000 of the fine is suspended contingent upon the
9 future compliance with this Consent Order. In the event that Respondents fail to comply with the terms
10 and provisions of this Consent Order, in addition to any other remedy available, the suspended part of the
11 fine shall be immediately due and payable.

12 IT IS FURTHER AGREED AND ORDERED that Respondents shall be liable for and pay costs of 13 \$1,000. Due to Respondents' financial condition, \$500 of the costs are suspended contingent upon the 14 future compliance with this Consent Order. In the event that Respondents fail to comply with the terms 15 and provisions of this Consent Order, in addition to any other remedy available, the suspended costs shall 16 be immediately due and payable.

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

IT IS FURTHER AGREED that Respondents enter into this Consent Order freely and voluntarily
with full understanding of its terms and significance.

IT IS FURTHER AGREED that in consideration of the foregoing, Respondents waive their right to
 a hearing and to judicial review of this matter pursuant to RCW 21.20.440 and Chapter 34.05 RCW.

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1	AUTHORITY AND PROCEDURE
2	This Consent Order is entered pursuant to the provisions of Chapter 21.20 RCW and is subject to the
3	provisions of Chapter 34.05 RCW. Respondents have been notified of their right to an administrative hearing
4	and have waived that right.
5	WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.
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7	SIGNED this <u>2nd</u> day of <u>November</u> , 2020.
8	Signed by:
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10	/s/ David Baker, CRD 809683
11	Individually and on behalf of Baker & Associates, LLC, CRD 305284
12	DATED and ENTERED this <u>9th</u> day of <u>February</u> , 2021.
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14 15	Million Seats
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17	WILLIAM M. BEATTY Securities Administrator
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19	Approved by: Presented by:
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21	An Som Brake tellerman
22	Suzanne Sarason Brook Kellerman
23	Chief of EnforcementFinancial Legal ExaminerCONSENT ORDER6DEPARTMENT OF FINANCIAL INSTITUTIONS
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