# 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:  Mavada Personal Wealth Management, Inc., CRD 130750 and Patrick Ebert, CRD 2363094	Order No.: S-19-2700-19-TO01  SUMMARY ORDER TO SUSPEND REGISTRATIONS  AND NOTICE OF INTENT TO REVOKE  REGISTRATIONS, IMPOSE A FINE, AND CHARGE  COSTS  Output  Description:
Respondents.	
	IAVADA PERSONAL WEALTH MANAGEMENT, INC RD 130750

## STATEMENT OF CHARGES

PATRICK EBERT, CRD 2363094

Please take notice that the Securities Administrator of the state of Washington has reason to believe that Respondents have violated the Securities Act of Washington. The Securities Administrator believes those violations justify the entry of an order summarily suspending MAVADA PERSONAL WEALTH MANAGEMENT, INC's investment adviser registration and PATRICK EBERT's investment adviser representative registration and giving notice of the intent to revoke Respondents' registrations, to impose a fine, and to charge costs pursuant to RCW 21.20.110. The Securities Administrator finds that a delay in suspending Respondents' registrations would be hazardous to the investors and to the public interest and that this Summary Order should be entered immediately. The Securities Administrator finds as follows:

# TENTATIVE FINDINGS OF FACT

## **Respondents**

1. Mavada Personal Wealth Management, Inc., ("Mavada") is registered as an investment adviser with the Washington State Securities Division. Mavada's investment adviser Central Registration Depository ("CRD") number is 130750. The Securities Division file number is 300090137.

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2. Patrick Ebert has been the president of Mavada since 2016 and is registered as an investment adviser representative with the Securities Division. His CRD number is 5562773.

# Nature of the Conduct

- 3. Each investment adviser registered with the Securities Division must make annual filings with the director after the investment adviser's fiscal year-end.
- 4. An investment adviser must, under WAC 460-24A-060, file with the Securities Division a fiscal year-end balance sheet within 120 days following the end of the fiscal year-end. The Securities Division reviews these balance sheets to determine whether the investment adviser meets the minimum financial requirements as set forth in WAC 460-24A-170.
- 5. Mavada has a fiscal year-end of December 31. Mavada's 2018 year-end balance sheet was due by April 30, 2019.
- 6. The Securities Division sent Respondents reminders by electronic mail, by regular mail, and by telephone to remind Respondents to file a balance sheet. Nonetheless, Respondents have not responded to the reminders or otherwise submitted a year-end balance sheet.

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

## **CONCLUSIONS OF LAW**

- 1. Respondent Mavada Personal Wealth Management, Inc. has willfully violated WAC 460-24A-060 by failing to file a 2018 fiscal year-end balance sheet. Such conduct is grounds for an order to suspend and revoke an investment adviser registration under RCW 21.20.110(1)(b).
- 2. The willful violation of WAC 460-24A-060 constitutes a ground for the entry of an order imposing fines under RCW 21.20.110(1) and for charging costs under RCW 21.20.110(7).
- 3. Patrick Ebert as the person who controls Mavada Personal Wealth Management, Inc. is responsible for its violations of WAC 460-24A-060. Such conduct is grounds for an order to suspend or revoke an investment adviser representative registration under RCW 21.20.110(6) imposing fines under RCW 21.20.110(1) and for charging costs under RCW 21.20.110(7).

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#### **EMERGENCY**

The Securities Division has been unable to determine whether Mavada Personal Wealth Management, Inc. meets the minimum financial requirements for investment advisers. Therefore, the Securities Administrator finds that an emergency exists, that the continued violations of WAC 460-24A-060 constitute a threat to the investing public, and a summary order suspending Mavada's investment adviser registration and Patrick Ebert's investment adviser representative registration is in the public interest and necessary of the protection of the investing public.

## NOTICE OF INTENT TO REVOKE REGISTRATION

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 enter an order revoking the investment adviser registration of Mavada Personal Wealth Management, Inc. and the investment adviser representative registration of Patrick Ebert.

## NOTICE OF INTENT TO IMPOSE FINES

Pursuant to RCW 21.20.110(1), and based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intend to order that Respondents each shall be liable for and shall pay a fine of at least \$1,000.

# NOTICE OF INTENT TO CHARGE COSTS

Pursuant to RCW 21.20.110(7), and based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intend to order that Respondents shall each be liable for and shall pay costs of at least \$200.

## **SUMMARY ORDER**

Based upon the foregoing,

NOW, THEREFORE, IT IS HEREBY SUMMARILY ORDERED under the authority of RCW 21.20.110(1) and (3) that the investment adviser registration of Mavada Personal Wealth Management, Inc.

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and the investment adviser representative registration of Patrick Ebert is suspended pending a final determination in this proceeding.

## **AUTHORITY AND PROCEDURE**

This Order is entered pursuant to the provisions of chapter 21.20 RCW and is subject to the provisions of Chapter 34.05 RCW. The Respondents 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 request a hearing in the allowed time, the Securities Administrator intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final and enter an order revoking the Respondents' registrations and imposing the fine and charging the costs sought.

WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

DATED AND ENTERED THIS \_6th\_\_ day of June, 2019.

William M. Beatty Securities Administrator

Presented by:

Kristen Standifer

Compliance Legal Examiner

Approved by:

Suzanne Sarason

Chief of Enforcement

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