

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

IN THE MATTER OF DETERMINING) Order No.: S-20-2944-20-SC01
Whether there has been a violation of the)
Securities Act of Washington by:) STATEMENT OF CHARGES AND NOTICE OF
Cape Point Wealth & Tax Management, LLC,) INTENT TO ENTER AN ORDER TO REVOKE
CRD 305344, and Michael Glick,) REGISTRATIONS, IMPOSE FINES, AND CHARGE
CRD 4798927,) COSTS
Respondents.)
)

THE STATE OF WASHINGTON TO: Cape Point Wealth & Tax Management, LLC, CRD 305344
Michael Glick, CRD 4798927

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the state of Washington has reason to believe that Respondents, Cape Point Wealth & Tax Management, LLC and Michael Glick, have violated the Securities Act of Washington. The Securities Administrator believes those violations justify the entry of an order to revoke Respondents' registrations, to impose fines, and to charge costs pursuant to RCW 21.20.110. The Securities Administrator finds as follows:

TENTATIVE FINDINGS OF FACT

Respondents

1. Cape Point Wealth & Tax Management, LLC ("Cape Point") has been registered as an investment adviser with the Washington State Securities Division ("Securities Division") since October 16, 2019. The investment adviser's Central Registration Depository ("CRD") number is 305344.

2. Michael Glick is an investment adviser representative and the owner of Cape Point. Mr. Glick's CRD number is 4798927.

1 **Nature of the Conduct**

2 3. Each investment adviser registered with the Securities Division must make annual filings
3 with the director after the investment adviser’s fiscal year-end.

4 4. An investment adviser must, under WAC 460-24A-060, file with the director a fiscal year-
5 end balance sheet within 120 days following the end of the fiscal year-end. The Securities Division reviews
6 these balance sheets to determine whether the investment adviser meets the minimum financial requirements
7 as set forth in WAC 460-24A-170.

8 5. Cape Point has a fiscal year-end of December 31 and its 2019 year-end balance sheet was
9 due by April 29, 2020.

10 6. In addition, an investment adviser must, under WAC 460-24A-205, file an annual updating
11 amendment to its Form ADV within 90 days of its fiscal year-end. This annual amendment must include any
12 changes to Form ADV Parts 1 and 2. The Securities Division reviews the annual updates to Form ADV to
13 determine whether the investment adviser is making necessary disclosure to investors and track where the
14 adviser’s books and records are stored. Cape Point’s updating amendment was due by March 30, 2020.

15 7. The Securities Division sent Respondents reminders by electronic mail, by regular mail, and
16 by telephone to remind Respondents to file a balance sheet and the annual updating amendment.

17 8. Cape Point filed its 2019 year-end balance sheet on August 3, 2020, 96 days after it was due.
18 Included with the balance sheet was a message from Mr. Glick, stating that he had been ill. In the message,
19 Mr. Glick additionally indicated that he was unsure whether Cape Point’s annual Form ADV and balance
20 sheet filings were necessary due to the submission of Form ADV and a balance sheet as part of Cape Point’s
21 investment adviser application filed in September of 2019. The message further stated, “At this point I’ve
22 been solely focused on trying to bring in clients and financially support my family.”

23 9. On August 3, 2020, the Securities Division replied to Mr. Glick’s message, again requesting
24 Cape Point’s annual updating amendment.

1 10. As of the date of this order, Cape Point has not filed an annual updating amendment.

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

3 **CONCLUSIONS OF LAW**

4 1. Respondent Cape Point willfully violated WAC 460-24A-205 by failing to timely file an
5 updating amendment to its Form ADV. Such conduct is grounds for an order to revoke an investment
6 adviser registration under RCW 21.20.110(1)(b), to impose fines under RCW 21.20.110(1), and to charge
7 costs under RCW 21.20.110(7).

8 2. Respondent Cape Point willfully violated WAC 460-24A-060 by failing to timely file a 2019
9 year-end balance sheet. Such conduct is grounds for an order to impose fines under RCW 21.20.110(1) and
10 to charge costs under RCW 21.20.110(7).

11 3. Respondent Michael Glick as the person who owns Cape Point is responsible for Cape
12 Point's violations of WAC 460-24A-205 and WAC 460-24A-060. Such conduct is grounds for an order to
13 revoke an investment adviser representative registration under RCW 21.20.110(6), to impose fines under
14 RCW 21.20.110(1), and to charge costs under RCW 21.20.110(7).

15 **NOTICE OF INTENT TO REVOKE REGISTRATIONS**

16 Pursuant to RCW 21.20.110(1), and based upon the Tentative Findings of Fact and Conclusions of
17 Law, the Securities Administrator intends to enter an order revoking the investment adviser registration of
18 Cape Point and the investment adviser representative registration of Michael Glick.

19 **NOTICE OF INTENT TO IMPOSE FINES**

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

1 **NOTICE OF INTENT TO CHARGE COSTS**

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

5 **AUTHORITY AND PROCEDURE**

6 This Statement of Charges is entered pursuant to the provisions of Chapter 21.20 RCW and is
7 subject to the provisions of Chapter 34.05 RCW. The Respondents may make a written request for a
8 hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR
9 HEARING accompanying this Order. If a respondent does not request a hearing in the allowed time, the
10 Securities Administrator intends to adopt the above Tentative Findings of Fact and Conclusions of Law as
11 final and enter an order revoking the respondent’s registration and imposing the fine and charging the costs
12 sought.

13
14 SIGNED AND ENTERED THIS 31st day of December, 2020.

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18 William M. Beatty
Securities Administrator

19 Approved by:

Presented by:

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23
24 Suzanne Sarason
Chief of Enforcement

25 Brook Kellerman
Compliance Legal Examiner