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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:

Gunn Capital Management, LLC,
Cody D. Gunn,

Respondents

Order No. S-22-3414-22-CO01

CONSENT ORDER

INTRODUCTION

Pursuant to the Securities Act of Washington, RCW 21.20, the Securities Division and Respondents Gunn Capital Management, LLC, CRD #172147 and Cody D. Gunn, CRD #5611255 do hereby enter into this Consent Order in settlement of the matters alleged herein. Respondents Gunn Capital Management, LLC and Cody D. Gunn neither admit nor deny the Findings of Fact and Conclusions of Law as stated below.

FINDINGS OF FACT

Respondents

1. Gunn Capital Management, LLC (“Gunn Capital”) is a Washington entity formed on June 29, 2014 with its principal place of business in Pateros, Washington. From July 10, 2014 to present, Gunn Capital has been a registered investment adviser in the state of Washington. Gunn Capital has a Central Registration Depository (“CRD”) number of 172147.

2. Cody D. Gunn (“Gunn”) resides in Malaga, Washington. Gunn is the President and founder of Gunn Capital. Gunn has been a registered investment adviser representative in the state of Washington from November 2008 to present. Gunn has a CRD number of 5611255.

IARD Reporting Issues

CONSENT ORDER

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

1 3. Investment advisers and investment adviser representatives file disclosure statements through
2 FINRA’s Investment Adviser Registration Depository. These filings are made with the Washington
3 Securities Division for investment advisers and investment adviser representatives who are registered in
4 Washington.

5 *Custody of Client Funds*

6 4. On March 30, 2018, Gunn filed an electronic annual Form ADV Part 1 for Gunn Capital. Item
7 9 asked whether the adviser or a related person had custody of any advisory clients’ cash or bank accounts
8 and securities. Gunn answered in Item 9 that he did not have custody of any advisory clients’ cash or bank
9 accounts and securities. However, Gunn and Gunn Capital had custody of a client’s bank account and
10 securities accounts.

11 5. On September 7, 2017, Gunn was appointed as the personal representative of a former client’s
12 estate. Gunn controlled both the bank account and the securities accounts for the estate until Gunn resigned
13 as personal representative on June 6, 2018.

14 *Notice of Pending Litigation*

15 6. As provided in WAC 460-24A-205, investment adviser representatives are required to update
16 their Form U4 registration statements through FINRA’s Investment Adviser Registration Depository within
17 30 days after there has been any material change. In July 2020, Gunn Capital and Gunn were both named
18 as defendants in a civil complaint for damages involving the estate of the former client and the estate of
19 their spouse. Gunn did not file a notice of the pending lawsuit with FINRA’s Investment Advisor
20 Registration Depository until April 2022.

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

22 **CONCLUSIONS OF LAW**

1 1. Gunn Capital Management, LLC violated WAC 460-24A-105(1), which requires an
2 investment adviser to notify the director promptly on Form ADV that it has custody over client funds or
3 securities.

4 2. Gunn violated WAC 460-24A-205(2), which requires an investment adviser representative to
5 file Form U4 changes within 30 days after a material change.

6 **CONSENT ORDER**

7 IT IS AGREED AND ORDERED that Respondents Gunn Capital Management, LLC and Cody D.
8 Gunn, and their agents and employees, shall each cease and desist from any violation of WAC 460-24A-
9 105 and WAC 460-24A-205.

10 IT IS AGREED AND ORDERED that Respondents Gunn Capital Management, LLC and Cody D.
11 Gunn shall be jointly and severally liable for and pay a fine in the amount of \$10,000.

12 IT IS AGREED that Respondents Gunn Capital Management, LLC and Cody D. Gunn enter into this
13 Consent Order freely and voluntarily and with a full understanding of its terms and significance.

14 IT IS AGREED that the Securities Division has jurisdiction to enter this order.

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

17 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

18 Signed this __12th__ day of _____ October _____, 2022

19
20 Signed by:
21 Gunn Capital Management, LLC

22 /s/ _____
23 Cody D. Gunn, President

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Signed by:

/s/ _____
Cody D. Gunn, Individually

Approved as to form by:

/s/ _____
Nicholas Larson, Attorney for Respondents

SIGNED and ENTERED this 20th day of October, 2022




William M. Beatty
Securities Administrator

Approved by:



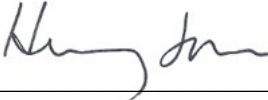
Brian J. Guerard
Chief of Enforcement

Presented by:



Janet So
Financial Legal Examiner

Reviewed by:



Huong Lam
Financial Legal Examiner Supervisor