

1 **STATE OF WASHINGTON**  
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**  
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Securities Act of Washington by:

5 Timothy Van Dyken,

6 Respondent.

Order No. S-24-3751-24-SC01

STATEMENT OF CHARGES AND NOTICE OF  
INTENT TO ENTER ORDER TO CEASE AND  
DESIST, TO SUSPEND REGISTRATION, TO  
IMPOSE A FINE, AND TO CHARGE COSTS

7 **THE STATE OF WASHINGTON TO:**

Timothy Van Dyken, CRD No. 5918814

8 **STATEMENT OF CHARGES**

9 Please take notice that the Securities Administrator of the state of Washington has reason to believe  
10 that Respondent Timothy Van Dyken violated the Securities Act of Washington. The Securities Administrator  
11 believes these violations justify the entry of an order against Respondent Timothy Van Dyken to cease and  
12 desist from such violations, to suspend their investment adviser representative and registered representative  
13 registrations, to impose a fine, and to charge costs pursuant to RCW 21.20.110, RCW 21.20.390, and RCW  
14 21.20.395. The Securities Administrator finds as follows:

15 **TENTATIVE FINDINGS OF FACT**

16 **Respondents**

17 1. Timothy Van Dyken (“Van Dyken”) currently resides in Moscow, Idaho. Van Dyken was  
18 employed as an investment adviser representative and registered representative at Edward D. Jones & Co.,  
19 L.P. (“Edward Jones”) from May 2011 to April 2022 where his branch office was in Mount Vernon,  
20 Washington. Van Dyken is currently registered with the Securities Division as an investment adviser  
21 representative and registered representative at Ameriprise Financial Services, LLC (CRD No. 6363). Van  
22 Dyken’s CRD No. is 5918814.

1 **Nature of the Conduct**

2 2. Van Dyken, while employed as an investment adviser representative and registered  
3 representative at Edward Jones, engaged in the following behavior: entered a trade in a client’s account  
4 without the authority to do so, entered false notes into Edward Jones’ internal system, altered others’ notes in  
5 the internal system, failed to submit complaints to Edward Jones’ complaint investigations department, and  
6 instructed a subordinate not to forward client complaints to the complaint investigations department.

7 **Annual Reviews**

8 3. On June 29, 2021 Van Dyken entered notes for client one that indicated he had conducted an  
9 annual review and summary was “no changes for [client one]... Nothing else at this time.” Van Dyken had  
10 not spoken with client one since March or April of 2020. Edward Jones’ policy requires that, for financial  
11 advisors to receive compensation for managing a client’s account, they must complete an annual review for  
12 that client within the designated review period. If an advisor fails to complete the annual review within the  
13 designated review period, the advisor is not compensated for the account.

14 4. On August 31, 2021, Van Dyken entered notes for client two that indicated he had conducted  
15 an annual review and wrote “I conducted a review with [client two]. No changes and no concerns about her  
16 account.” Van Dyken had not spoken to client two prior to entering that note.

17 5. Also on August 31, 2021, Van Dyken entered notes for client three that indicated that he had  
18 conducted an annual review and wrote “[client three] is still working on a few other endeavours [sic]... No  
19 changes to his account at this time.” Van Dyken had not spoken with client three in approximately one year.

20 6. On September 13, 2021, a field supervisor at Edward Jones asked Van Dyken to confirm that  
21 he had spoken to each of the clients whose Annual Reviews had been entered into Edward Jones’ internal  
22 system on August 31, 2021. On September 16, 2021, Van Dyken stated that he had spoken to all of the clients  
23

1 briefly. In reality, Van Dyken had not spoken to any of the clients before entering the notes and some had not  
2 heard from Van Dyken for several months.

### 3 **Unauthorized Activity in Client Accounts**

4 7. On or around July 23, 2021, client four began the process of transferring the client's joint  
5 account at Wells Fargo to the account managed by Van Dyken at Edward Jones. On August 24, 2021, Van  
6 Dyken's Branch Office Administrator ("BOA") asked Van Dyken whether the \$125 fee associated with the  
7 account transfer should be charged to Van Dyken or to client four. Van Dyken then instructed the BOA to  
8 charge the \$125 to the client. The BOA then informed Van Dyken that client four did not have the available  
9 funds to do the charge and wrote, "before I call him have you discussed this charge with him? I want to make  
10 sure we are on the same page." On August 30, 2021, Van Dyken informed the BOA that he had sold \$125  
11 worth of client four's fund to cover the fee without consulting the client.

12 8. On April 7, 2023, client five contacted Edward Jones to inform them of several issues she had  
13 with Van Dyken while he was her Edward Jones agent. In 2000, client five purchased an annuity for \$64,479.  
14 Sometime in 2015, when Van Dyken was the custodian of client five's annuity, Van Dyken withdrew more  
15 than the annuity contract allowed. Van Dyken's action nullified client five's rider of 7% as well as client  
16 five's guaranteed remaining benefit amount (previously valued at \$43,416.42), guaranteed benefit base  
17 (previously valued at \$64,479.14), and maximum living benefit (previously valued at \$4,513.54). Client five  
18 only learned about Van Dyken's actions after receiving a letter from the annuity company explaining the loss  
19 of the guarantees.

20 9. In the same communication, client five also alleged that, during the client's transition to  
21 "Guided Solutions," Van Dyken sold 100 shares of Microsoft stock and 10 shares of Costco stock without  
22 client five's knowledge or consent. Client five further stated that Van Dyken admitted that the shares had  
23 inadvertently been sold and would be returned. Although the shares had not been a part of client five's two

1 existing individual retirement accounts (“IRA”) when Van Dyken sold them, the Microsoft shares were split  
2 80/20 between both IRAs when he returned them. The Costco shares were not returned.

3 10. Edward Jones indicated that, on August 1, 2023, they had settled the matter with client five for  
4 \$3,544.

### 5 **Altering Internal Notes**

6 11. On September 8, 2021, client six contacted Van Dyken’s Edward Jones branch office and  
7 spoke with the BOA. The client had called looking for answers as to why he had not yet received a statement  
8 for the account that he had deposited \$53,600 into on June 8, 2021. The client was seeking a return on the  
9 funds to fund scholarships for disadvantaged children to attend a Washington private school. The BOA then  
10 entered this note into Edward Jones’ internal system, “[client six] called wanting to know why he has not  
11 received a statement for the...account. I looked and saw that the money was still sitting in cash. I told him  
12 that was why, and we don’t generate statements without a change in the account. He was not happy that the  
13 cash has been sitting there since June and had thought that everything would be invested right away. Please  
14 contact [client six] about this.”

15 12. On or about September 9, 2021, Van Dyken modified the BOA’s note in Edward Jones’  
16 internal system so that it read “[client six] called wanting to know why he has not received a statement for  
17 the...account. I looked and saw that the money was still sitting in cash. I told him that was why, and we don’t  
18 generate statements without a change in the account.”

19 13. On September 9, 2021, the following messages were exchanged between Van Dyken and the  
20 BOA in reference to the above note:

- 21 a. Van Dyken: “talked to [client six]. Also, any comments from clients that might be negative  
22 shouldn’t be in notes. Let me know first.”

1 b. BOA: “I’m sorry I just re-read the note and it doesn’t look like there is anything negative  
2 in it.”

3 c. Van Dyken: “I deleted it..... :)”

#### 4 **Edward Jones’ Internal Hearing**

5 14. On October 25, 2021, Edward Jones conducted a compliance hearing to determine if Van  
6 Dyken had violated any of the firm or the industry’s policies. Prior to the hearing, internal communications  
7 between the compliance analyst and individuals who were selected to be panel members for the hearing stated  
8 that there was a “high likelihood of [Van Dyken’s] termination” at the conclusion of the hearing.

9 15. Edward Jones’ internal notes from the compliance hearing reflected that Van Dyken admitted  
10 to all the above allegations.

11 16. At the conclusion of the compliance hearing, Edward Jones did not terminate Van Dyken.  
12 Instead, Edward Jones referred Van Dyken to heightened supervision, gave him a letter of warning, and made  
13 him ineligible for any leadership positions for two years. Edward Jones further informed Van Dyken that, to  
14 remain in compliance with Edward Jones’ policies, he would need to either move back to Washington from  
15 Idaho to be near his branch location or move his branch location to his new home in Idaho.

#### 16 **Van Dyken’s Separation from Edward Jones**

17 17. On February 2, 2022, Edward Jones’ director of compliance operations contacted Van Dyken  
18 to get an update on Van Dyken’s plan to get in compliance with Edward Jones’ policies about working outside  
19 registered branch offices. Van Dyken indicated that he wished to remain in Idaho to be near his mother  
20 following the death of his father.

21 18. On February 3, 2022, Van Dyken indicated to the director of compliance operations that he  
22 had spoken to the necessary departments and ensured that “everything was set up properly” such that he could  
23 continue living in Idaho with his home branch remaining in Washington. The director of compliance

1 operations then informed Van Dyken that he was the only person who could approve requests like that and  
2 that he had not approved Van Dyken's situation. Also on February 3, the director informed Van Dyken he  
3 had three options, "(1) move back to Washington, close to your branch by the end of April, (2) move your  
4 branch close to your new home, or (3) find an alternative solution to your situation to remain in compliance."

5 19. On March 15, 2022, Van Dyken contacted the director of compliance to say "obviously things  
6 can't happen overnight and I am going to need time to get things organized... I've been very open an (sic)  
7 honest about where I live and work and know multiple advisers including an RL that are currently doing the  
8 same thing as I'm doing but obviously they must not be using their primary home as their primary home. I  
9 just want to make sure I'm doing things honestly but also would like a little grace shown to me as this isn't  
10 an easy thing to navigate."

11 20. On March 16, 2022, the director of compliance reminded Van Dyken that they had spoken  
12 about Van Dyken initiating the process to move his branch six weeks prior to his March 15<sup>th</sup> email. The  
13 director reiterated that Van Dyken had to remedy his situation by the end of April to remain in compliance.  
14 The director also stated that any advisers living in a different state than their branch was located were doing  
15 so outside of firm policies as no such arrangements had been approved.

16 21. On April 14, 2022, Van Dyken resigned from Edward Jones.

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

18 **CONCLUSIONS OF LAW**

19 1. Timothy Van Dyken violated RCW 21.20.020(c) by altering the internal notes in Edward  
20 Jones' system, by lying about completing annual reviews for his clients, and by instructing his BOA not to  
21 inform Edward Jones' of client complaints, which are dishonest or unethical practices as defined by WAC  
22 460-24A-220. Such conduct is grounds for an order to suspend Timothy Van Dyken's investment adviser  
23 representative and registered representative registrations, pursuant to RCW 21.20.110(1)(g).

1           2.       Timothy Van Dyken violated RCW 21.20.020(c) by placing an order to sell a security in client  
2 four's account to pay a fee without the authority to do so, which is a dishonest or unethical practice as defined  
3 by WAC 460-24A-220(3). Such conduct is grounds for an order to suspend Timothy Van Dyken's investment  
4 adviser representative and registered representative registrations, pursuant to RCW 21.20.110(1)(g).

5           3.       Timothy Van Dyken violated WAC 460-24A-200(r) by altering the internal notes in Edward  
6 Jones' system and entering false statements about meeting with several clients on an annual basis. Such  
7 conduct is grounds for an order to suspend Timothy Van Dyken's investment adviser representative and  
8 registered representative registrations, pursuant to RCW 21.20.110(1)(g).

9                           **NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST**

10           Pursuant to RCW 21.20.390(1) and based upon the above Tentative Findings of Fact and Conclusions  
11 of Law, the Securities Administrator intends to order Timothy Van Dyken, and their agents and employees,  
12 to each permanently cease and desist from violating RCW 21.20.020 and WAC 460-24A-200.

13                           **NOTICE OF INTENT TO SUSPEND REGISTRATION**

14           Pursuant to RCW 21.20.110(1) and based upon the above Tentative Findings of Fact and Conclusions  
15 of Law, the Securities Administrator intends to order that the investment adviser representative and registered  
16 representative registrations of Timothy Van Dyken be suspended for a period of 180 days.

17                           **NOTICE OF INTENT TO IMPOSE FINES**

18           Pursuant to RCW 21.20.110(1) and RCW 21.20.395 and based upon the above Tentative Findings of  
19 Fact and Conclusions of Law, the Securities Administrator intends to order that Timothy Van Dyken shall be  
20 liable for and shall pay a fine of \$20,000.

1 **NOTICE OF INTENT TO CHARGE COSTS**

2 Pursuant to RCW 21.20.110(7) and RCW 21.20.390 and based upon the above Tentative Findings of  
3 Fact and Conclusions of Law, the Securities Administrator intends to order that Timothy Van Dyken shall be  
4 liable for and shall pay the costs, fees, and other expenses incurred in the administrative investigation and  
5 hearing of this matter, in an amount not less than \$4,875.

6 **AUTHORITY AND PROCEDURE**

7 This Statement of Charges is entered pursuant to the provisions of Chapter 21.20 RCW and is subject  
8 to the provisions of RCW 21.20.120 and Chapter 34.05 RCW. Timothy Van Dyken may make a written  
9 request for a hearing as set forth in the Notice of Opportunity for Hearing accompanying this Order. If the  
10 respondent does not make a hearing request in the time allowed, the Securities Administrator intends to adopt  
11 the above Tentative Findings of Fact and Conclusions of Law as final to that respondent and, as described  
12 above, enter a permanent order to cease and desist, to revoke, suspend, or deny future registrations, and to  
13 impose any fines and costs sought against the respondent.

14  
15 SIGNED and ENTERED this 16th day of July, 2024.



21 /s/

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23 William M. Beatty  
Securities Administrator



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Approved by:

/s/

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Brian Guerard  
Chief of Enforcement

Presented by:

/s/

\_\_\_\_\_  
Kassidy Smith  
Financial Legal Examiner

Reviewed by:

/s/

\_\_\_\_\_  
Holly Mack-Kretzler  
Financial Legal Examiner Supervisor