

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF:

RESONANCE CAPITAL MANAGEMENT, LLC

SDO -34 - 01

UNDERTAKING AND AGREEMENT

Case No. 01-03-124

THE STATE OF WASHINGTON TO:

Resonance Capital Management, LLC
1201 Third Ave Ste 5000
Seattle, WA 98101

The Securities Division, Department of Financial Institutions, State of Washington, and respondent Resonance Capital Management, LLC (“Resonance”) do hereby agree to this Undertaking and Agreement in settlement of the matters alleged herein.

TENTATIVE FINDINGS OF FACT

1. Resonance registered with the U.S Securities and Exchange Commission as an investment adviser, under the provisions of the Federal Investment Advisers Act of 1940, on August 13, 1999, qualifying as a federal covered adviser.

2. Resonance has maintained a place of business in Washington from August 13, 1999 to the present.

3. RCW 21.20.040(3)(d) requires that for a federal covered adviser to transact business in Washington as an investment adviser, the federal covered adviser must file a notice with DFI in accordance with RCW 21.20.050 and pay the fees prescribed in RCW 21.20.340 or qualify for an exemption from such “notice filing” requirement.

4. Resonance is not exempt from the notice filing requirements of RCW 21.20.050 and did not file a notice in Washington or pay the prescribed fees, for the years 1999 and 2000.

5. On April 2, 2001, Resonance, as a federally covered adviser, submitted a notice filing and fees to the Department of Financial Institutions, Securities Division (“DFI”) via the Investment Adviser Registration Depository (“IARD”), for the year 2001.

UNDERTAKING AND AGREEMENT

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

1 6. Resonance advised DFI that its failure to previously submit notice filings and fees to DFI, for the years
2 1999 and 2000, was inadvertent.

3 7. The Director has determined that it is in the public interest to accept this Undertaking in order to resolve
4 this matter.

5 **UNDERTAKING**

6 Resonance Capital Management, LLC undertakes to:

7 8. Provide DFI with a check payable to the Washington State Treasurer in the amount of Six Hundred
8 Fifty and No/100 Dollars (\$650.00), which amount represents:

- 9 a. One Hundred Fifty and No/100 Dollars (\$150.00) representing the back payment of notice filing
10 fees for Resonance for the calendar years 1999 and 2000 upon entry of this Undertaking; and
11 b. Five Hundred and No/100 Dollars (\$500.00) representing the legal and administrative costs
12 involved in resolving the matter.

13 9. Comply with the Securities Act of Washington and the rules and regulations promulgated thereunder.

14 **AGREEMENT**

15 Upon the completion of the Undertaking by Resonance, DFI agrees that:

16 10. Resonance's notice filing in Washington shall be accepted, as of the date of this Undertaking is signed
17 by the Director; and

18 11. The Securities Division has jurisdiction to enter this Undertaking and Agreement.

19 **RESONANCE CAPITAL MANAGEMENT, LLC**

20 BY: _____
21 Name
22 _____
23 Title

24 BY: _____
25 Name
26 _____
27 Joan L. Grant, Esq.
Shartsis, Friese & Ginsburg LLP
Attorneys for
Resonance Capital Management, LLC

DATE: _____
UNDERTAKING AND AGREEMENT

DATE: _____

1 Dated and entered this 18th day of June, 2001.

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4 

5 _____
6 DEBORAH R. BORTNER
7 Securities Administrator

8 Presented by:

9 _____
10 Kristina L. Kneip
11 Securities Examiner

12 Approved by:

13 _____
14 Michael E. Stevenson
15 Chief of Compliance