

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES

In the Matter of: : Case No. S-15-0079
: :
TRUDY L. McCABE, : FINAL ORDER TO CEASE AND DESIST,
: FINAL ORDER ASSESSING CIVIL PENALTY
Respondent. : AND CONSENT TO ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director"), acting in accordance with the Oregon Securities Law, Oregon Revised Statutes ("ORS") 59.005 to 59.451, 59.991 and 59.995, and Oregon Administrative Rules ("OAR") chapter 441, has investigated the securities salesperson license application, and the amendments thereto, of Trudy L. McCabe ("Respondent").

Respondent has cooperated with the Director's investigation and wishes to resolve this matter with the Director.

Now, therefore, as evidenced by the signature subscribed herein, Respondent hereby CONSENTS to the entry of this Order.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is licensed in Oregon to work as a salesperson for a broker-dealer. The Central Registration Depository ("CRD") number for Respondent is #5215796.
2. In order to become licensed as a salesperson in Oregon, Respondent was required to complete the CRD Uniform Application for Securities Industry Registration or Transfer ("Form U4"). The Form U4 includes Disclosure Reporting Pages ("DRP"), 14K through 14M of the DRP. Respondent, as a licensee, has a responsibility to keep the information in the DRP continually updated.
3. As part of the salesperson licensing process in Oregon, Respondent completed a Form U4, including the Financial Disclosure section of the DRP, on or about February 8, 2012. Respondent became licensed in Oregon as a salesperson on or about February 8, 2012.



4. Section 14M of the DRP in Form U4 asks: "Do you have any unsatisfied judgments or liens against you?"

5. On or about March 27, 2012, the U.S. Internal Revenue Service filed a tax lien against the Respondent in an amount over \$30,000 (the "Tax Lien"). The Tax Lien remained unsatisfied until on or about March 19, 2013, or almost one year, at which time Respondent paid off the Tax Lien.

6. While Respondent did file an amendment to her Oregon license application disclosing the Tax Lien in response to Section 14M of the Form U4, Respondent did not do so within the requisite 30 day timeframe.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. At all times material to this Order, Respondent has been licensed as a "salesperson" in Oregon, as defined by ORS 59.015(18)(a).

8. Respondent, as a licensed salesperson, is required to amend her license application on Form U4 "when there are material changes in the information contained in the original application." ORS 59.175(6); OAR 441-175-0105(3)(c).

9. In accordance with OAR 441-175-0105(2), Respondent is required to amend her Oregon license application within 30 days of the occurrence of any material changes in the information contained in the original application or any amendments thereto.

10. Section 14M of the Form U4, "Financial Disclosure," requires that a licensed salesperson disclose the existence of any "unsatisfied judgments or liens" entered against the licensee.

11. The existence of an unsatisfied judgment or lien against a licensee is a "material change" of the information contained in the original application, as that term is used in ORS 59.175(6) and OAR441-175-0105(2).

12. Respondent failed to timely file an amendment to her Oregon salesperson license application within 30 days of the occurrence of a material change, in violation ORS 59.175(6) and OAR 441-175-0105(2).



ORDERS

The Director issues the following ORDERS:

Final Order to Cease and Desist

13. In accordance with ORS 59.245, Respondent is hereby ORDERED to CEASE AND DESIST from:

A. Failing to timely file a required amendment to her Oregon salesperson license application after a material change to the information contained in the application, as required by ORS 59.175(6) and OAR 441-175-0105(2); and

B. Violating any provision of Oregon Revised Statutes chapter 59 or Oregon Administrative Rules chapter 441.

Final Order Assessing Civil Penalty

14. In accordance with ORS 59.995, the Director may assess CIVIL PENALTIES in an amount not to exceed \$20,000 per violation against persons who violate the Oregon Securities Law. In the case of a continuing violation, each day's continuance is a separate violation, but the maximum penalty for any continuing violation shall not exceed \$100,000.

15. In accordance with ORS 59.995(1), the Director hereby ORDERS the Respondent to pay a CIVIL PENALTY in the total amount of \$5,000 (five thousand dollars) for violations of ORS 59.175(6) and OAR 441-175-0105(2).

16. The Director SUSPENDS the collection of \$4,000 (four thousand dollars) of the civil penalty assessed above, so long as Respondent complies with all terms and conditions of this Order and all requirements of the Oregon Securities Law. If Respondent complies with the terms of this Order and the Director has not initiated an enforcement action for new violations of the Oregon Securities Law during the three-year period from the effective date of this Order, the Director WAIVES the collection of the suspended CIVIL PENALTY assessed herein.

17. Respondent must pay the remaining CIVIL PENALTY of \$1,000 (one thousand dollars) within 30 days of the entry of this Order.



18. The Director reserves the right to immediately take enforcement action, pursuant to the procedures set forth in ORS 183.745, to impose the suspended CIVIL PENALTY if Respondent violates any term of this Order.

19. This Order does not contain findings that Respondent violated an Oregon law or rule (including any administrative rules thereunder) that prohibits fraudulent, manipulative, or deceptive conduct. Accordingly, disqualification should not arise as a consequence of this Order under any law or rule of any state or U.S. territory, self-regulated organization, or the United States including, but not limited to, Sections 3(a)(39) or 15(b)(4) of the Securities Exchange Act of 1934, or Rule 506(d) of the Securities Act of 1933.

22. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

SO ORDERED this 18th day of August, 2015.

PATRICK M. ALLEN, Director
Department of Consumer and Business Services

/s/ David C. Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

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CONSENT OF TRUDY L. MCCABE TO ENTRY OF ORDER

I, Trudy L. McCabe, state that I am a resident of the State of California, that I have read the foregoing Order and that I know and fully understand the contents hereof; that the factual allegations stated herein are true and correct; that I have been advised of my right to a hearing, and that I have been advised of my right to be represented by counsel in this matter; that I voluntarily consent to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter; that I understand that the Director reserves the right to take further actions against me to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Securities Law by me; and that I will fully comply with the terms and conditions stated herein.

I understand that this Order is a public document.

/s/ Trudy L. McCabe
Trudy L. McCabe

State of California

County of San Bernadino

Subscribed and affirmed before me by Trudy L. McCabe this 12th day of August, 2015.

/s/ Steven Khouri
Notary Public - State of California
Commission Expires May 19, 2016

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