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2
3 STATE OF OREGON
4 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
5 DIVISION OF FINANCE AND CORPORATE SECURITIES

6 In the Matter of:

7 Robert Sean O’Connell,
8 Respondent.

Case No. S-15-0102_

FINAL ORDER TO CEASE AND
DESIST, FINAL ORDER
ASSESSING CIVIL PENALTY,
AND CONSENT TO ENTRY OF
ORDER

9
10 The Director of the Department of Consumer and Business Services for the State
11 of Oregon (hereinafter “the Director”), acting in accordance with the Oregon Securities
12 Law, Oregon Revised Statutes (“ORS”) 59.005 to 59.451, 59.991 and 59.995, and
13 Oregon Administrative Rules (“OAR”) chapter 441, has investigated the securities
14 salesperson and investment advisor license application, and the amendments thereto, of
15 Robert Sean O’Connell (“Respondent”).

16 Respondent has cooperated with the Director’s investigation and wishes to resolve
17 this matter with the Director;

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

20
21 FINDINGS OF FACT

22 The Director FINDS that:

23 1. Respondent is licensed in Oregon to work as a salesperson and investment
24 advisor representative for a broker-dealer. The Central Registration Depository (“CRD”)
25 number for Respondent is #2747151.

26 ///

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387





1 2. In order to become licensed as a salesperson and investment advisor
2 representative in Oregon, Respondent was required to complete the CRD Uniform
3 Application for Securities Industry Registration or Transfer (“Form U-4”). The Form U-4
4 includes Disclosure Reporting Pages (“DRP”), wherein Respondent was required to
5 disclose certain information identified therein, including, but not limited to, the
6 “Financial Disclosure” information set forth in Question Section 14M of the application.
7 Respondent, as a licensee, has a responsibility to keep the information in the application,
8 including the information in the DRP, continually updated.

9 3. As part of the licensing process in Oregon, Respondent completed a Form U-
10 4, including the Financial Disclosure section of the form, as early as May 6, 2004.
11 Respondent became licensed in Oregon as a salesperson on or about May 6, 2004, and
12 became licensed in Oregon as an investment advisor representative on or about March 24,
13 2011.

14 4. Question Section 14M of the Form U-4 asks, in relevant part: “Do you have
15 any unsatisfied judgments or liens against you?”

16 5. On or about October 3, 2007, Asset Systems, Inc., dba Asset Systems of
17 Washington, obtained a civil judgment against Respondent in the Clark County District
18 Court for the State of Washington, in the amount of \$3,086.92. The judgment remained
19 unsatisfied until on or about April 3, 2015. Respondent did not file an amendment to his
20 Oregon license application, including disclosure of such judgment, in response to Section
21 14M of the Form U-4, until June 18, 2014, more than 30 days from the date of
22 occurrence.

23 6. On or about October 15, 2007, Ray Klein, dba Professional Credit Service,
24 obtained a civil judgment against Respondent in the Clark County District Court for the
25 State of Washington, in the amount of \$703.85. The judgment remained unsatisfied until
26 on or about February 27, 2015. Respondent did not file an amendment to his Oregon



1 license application, including disclosure of such judgment, in response to Section 14M of
2 the Form U-4, until July 8, 2014, more than 30 days from the date of occurrence.

3 7. On or about November 15, 2007, Capital One Bank obtained a civil judgment
4 against Respondent in the Clark County District Court for the State of Washington, in the
5 amount of \$2,338.11. The judgment remained unsatisfied until on or about January 25,
6 2013. Respondent did not file an amendment to his Oregon license application, including
7 disclosure of such judgment, in response to Section 14M of the Form U-4, until June 25,
8 2015, more than 30 days from the date of occurrence.

9 8. On or about August 15, 2008, Dynamic Collectors, Inc. obtained a civil
10 judgment against Respondent in the Clark County District Court for the State of
11 Washington, in the amount of \$680.01. The judgment remained unsatisfied until on or
12 about March 30, 2009. Respondent did not file an amendment to his Oregon license
13 application, including disclosure of such judgment, in response to Section 14M of the
14 Form U-4, until February 9, 2015, more than 30 days from the date of occurrence.

15 9. On or about August 18, 2010, the State of Washington filed a lien against
16 Respondent in the records of Clark County, Washington, in the amount of \$2,740.39. The
17 judgment remained unsatisfied until on or about March 15, 2011. Respondent did not file
18 an amendment to his Oregon license application, including disclosure of such lien, in
19 response to Section 14M of the Form U-4, until August 13, 2014, more than 30 days from
20 the date of occurrence.

21 10. On or about September 19, 2011, CZ Payday Loans, Inc. obtained a civil
22 judgment against Respondent in the Multnomah County Circuit Court for the State of
23 Oregon, in the amount of \$981.50. The judgment remains unsatisfied. Respondent did not
24 file an amendment to his Oregon license application, including disclosure of such
25 judgment, in response to Section 14M of the Form U-4, until July 8, 2014, more than 30
26 days from the date of occurrence.



1 11. On or about March 26, 2012, Asset Systems, Inc. obtained a civil judgment
2 against Respondent in the Marion County Circuit Court for the State of Oregon, in the
3 amount of \$795.12. The judgment remained unsatisfied until on or about April 9, 2015.
4 Respondent did not file an amendment to his Oregon license application, including
5 disclosure of such judgment, in response to Section 14M of the Form U-4, until February
6 6, 2015, more than 30 days from the date of occurrence.

7 12. On or about November 26, 2013, the State of Oregon obtained a civil
8 judgment against Respondent in the Multnomah County Circuit Court for the State of
9 Oregon, in the amount of \$300.00. The judgment remained unsatisfied until on or about
10 May 5, 2014. Respondent did not file an amendment to his Oregon license application,
11 including disclosure of such judgment, in response to Section 14M of the Form U-4, until
12 May 7, 2014, more than 30 days from the date of occurrence

13
14 **CONCLUSIONS OF LAW**

15 The Director CONCLUDES that:

16 13. At all times material to this Order, Respondent has been licensed as a
17 salesperson and/or investment advisor representative in Oregon, as defined by ORS
18 59.015(18)(a) and (8)(a), respectively.

19 14. Respondent, as a licensed salesperson and investment advisor representative,
20 is required to amend his license application on the Form U-4 “when there are material
21 changes in the information contained in the original application.” ORS 59.175(6); OAR
22 441-175-0105(3)(c).

23 15. In accordance with OAR 441-175-0105(2), Respondent is required to amend
24 his Oregon license application within 30 days of the occurrence of any material changes
25 in the information contained in the original application or any amendments thereto.
26



1 16. Question Section 14M of the Form U-4, “Financial Disclosure,” requires that
2 a licensed salesperson disclose any unsatisfied judgment or lien.

3 17. The unsatisfied judgments and lien discussed in Paragraphs 5-12 above
4 constitute a “material change” of the information contained in Respondent’s original
5 application, as that term is used in ORS 59.175(6) and OAR 441-175-0105(2).

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

9
10 **ORDERS**

11 The Director issues the following ORDERS:

12 *Final Order to Cease and Desist*

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

15 a. Failing to timely file a required amendment to his Oregon salesperson and
16 investment advisor representative license application after a material change to
17 the information contained in the application, as required by ORS 59.175(6) and
18 OAR 441-175-0105(2); and

19 b. Violating any provision of Oregon Revised Statutes chapter 59 or Oregon
20 Administrative Rules chapter 441.

21 *Final Order Assessing Civil Penalty*

22 20. In accordance with ORS 59.995, the Director may assess CIVIL PENALTIES
23 in an amount not to exceed \$20,000 per violation against persons who violate the Oregon
24 Securities Law. In the case of a continuing violation, each day’s continuance is a separate
25 violation, but the maximum penalty for any continuing violation shall not exceed
26 \$100,000.



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

4 22. The Director SUSPENDS the collection of the \$5,000 civil penalty assessed
5 above, so long as Respondent complies with all terms and conditions of this Order and all
6 requirements of the Oregon Securities Law. If Respondent complies with the terms of this
7 Order and the Director has not initiated an enforcement action for new violations of the
8 Oregon Securities Law during the three-year period from the effective date of this Order,
9 the Director WAIVES the collection of the suspended CIVIL PENALTY assessed herein.

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

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

16
17 SO ORDERED this 10th day of September, 2015.

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

20 /s/ John Paul Jones, Deputy, for:
21 David C. Tatman, Administrator
22 Division of Finance and Corporate Securities

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