

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:

DAVID W. SMITH,

Respondent.

Case No. S-16-0017

FINAL ORDER TO CEASE AND
DESIST, FINAL ORDER
ASSESSING CIVIL PENALTY,
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 (“salesperson”) license application, and the amendments thereto, of David W. Smith (“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, and Respondent is licensed in Oregon to work as an investment adviser representative for a state investment adviser. The Central Registration Depository (“CRD”) number for Respondent is #1413109.

1 information contained in the application, as required by ORS 59.175(6) and OAR 441-
2 175-0105(2); and

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

5 Final Order Assessing Civil Penalty

6 16. In accordance with ORS 59.995, the Director may assess CIVIL PENALTIES
7 in an amount not to exceed \$20,000 per violation against persons who violate the Oregon
8 Securities Law. In the case of a continuing violation, each day's continuance is a separate
9 violation, but the maximum penalty for any continuing violation shall not exceed
10 \$100,000.

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

14 18. The Director SUSPENDS the collection of \$4,000 (four thousand dollars) of
15 the civil penalty assessed above, so long as the Respondent complies with all terms and
16 conditions of this Order, including but not limited to the civil penalty payment plan set
17 forth in Paragraph 20, and all requirements of the Oregon Securities Law; PROVIDED
18 HOWEVER, that the suspended portion of the civil penalty will be immediately due and
19 payable upon a determination by the Director that the Respondent has violated any term
20 of this Order, or any provision of the Oregon Securities Law.

21 19. If Respondent complies with the terms of this Order and the Director has not
22 initiated an enforcement action for new violations of the Oregon Securities Law during
23 the three-year period from the effective date of this Order, the Director WAIVES the
24 collection of the suspended CIVIL PENALTY assessed herein.

25 20. The Respondent must pay \$500 (five hundred dollars) of the civil penalty at
26 signing, prior to the entry of this Order, and Respondent must pay the remaining \$500

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
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1 (five hundred dollars) of the due and payable civil penalty no later than October 3, 2016.

2 21. If the Respondent violates any term of the Order, fails to comply with the civil
3 penalty payment schedule set forth in Paragraph 20, is late with a civil penalty payment,
4 or skips a civil penalty payment, then the entire unpaid portion of the civil penalty,
5 including but not limited to, the \$4,000 (four thousand dollars) suspended portion of the
6 civil penalty, will become immediately due and payable.

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

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

13 SO ORDERED this 15th day of August, 2016.

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

16
17 /s/ David Tatman
18 David C. Tatman, Chief of Enforcement
19 Division of Financial Regulation
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CONSENT OF DAVID W. SMITH TO ENTRY OF ORDER

I, David W. Smith, state that I am a resident of the State of Oregon, 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/ David W Smith
David W. Smith

State of Oregon

County of Washington

Subscribed and affirmed before me by David W. Smith this 1st day of

August, 2016.

/s/ Monique Gonzalez De La Rosa
Signature of Notary Public

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