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

In the Matter of: ANNA TOWNSEND, an Individual, and ANN TOWNSEND LLC, a New Jersey Limited Liability Company, Respondents.	Case No. S-25-0050 FINAL ORDER TO CEASE AND DESIST, FINAL ORDER DENYING USE OF EXEMPTIONS, FINAL ORDER ASSESSING CIVIL PENALTIES, AND FINAL ORDER ASSESSING RESTITUTION, ENTERED BY DEFAULT

On July 14, 2025, the Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), by and through the Division of Financial Regulation ("Division"), served an Order to Cease and Desist, Proposed Order Denying Use of Exemptions, Proposed Order to Assess Civil Penalties, and Notice of Right to an Administrative Hearing ("Notice") on Anna Townsend ("Townsend") and Ann Townsend LLC ("ATL") (collectively, "Respondents").

The Notice offered Respondents an opportunity for a hearing if requested within 20 days of service of the Notice. The Notice further informed Respondents that if a hearing was not conducted because Respondents did not timely request a hearing or otherwise defaulted, then the designated portion of the Division's file and all materials submitted by Respondents in this case would automatically become part of the contested case record for the purpose of proving a prima facie case.

The Director did not receive from Respondents a request for a hearing and did not conduct a hearing.

FINDINGS OF FACT

The Director FINDS that:

1. ATL is a New Jersey limited liability company with a principal place of business at 23B Ardmore St., Whiting, NJ 08759.

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2. At all relevant times, Townsend was ATL's sole officer and director.

3. At all relevant times, Townsend acted on ATL's behalf and controlled and directed all actions of ATL. Townsend caused ATL to take or fail to take each action or failure to act of ATL identified in this *Order to Cease and Desist, Proposed Order Denying Use of Exemptions, Proposed Order to Assess Civil Penalties, and Notice of Right to an Administrative Hearing*.

JW

4. Oregon resident "JW" was born in 1944.

5. From January 2020 through July 2024, Adult Protective Services ("APS") received ten calls of concern for JW regarding unusual financial activities.

6. In or around January 2021, APS conducted an investigation and determined that JW was being subjected to a transnational elder fraud scheme whereby he developed an online relationship with "Feena," who claimed to be a woman living in southeast Asia in need of financial assistance.[1] Around this time, JW disbursed over $366,000 to various international accounts at Feena's direction.

7. Despite APS's warnings, JW continued to disburse funds to international accounts with the intent to provide aid to Feena and to make what he believed to be were investments. Unbeknownst to JW, the investments – in purported foreign corporations and cryptocurrency offerings – were extensions of the same scheme.

8. In or around 2023, at the direction of Feena and/or other participants of the scheme, JW sold approximately $3.5 million in securities held by the Vanguard Marketing Corporation ("Vanguard") and transferred the funds to his personal bank account to disburse as directed.

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[1] As used throughout this Order, Feena refers to the individual(s) with whom JW was in contact in connection with the inducement to liquidate and disburse his funds under false pretenses.

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9. To avoid suspicions raised by the frequency and volume of his international wire transfers, JW was directed to use Respondents as an intermediary to transfer funds to Feena.

ATL Formation and Activities

10. On October 4, 2024, Townsend registered ATL with the New Jersey Secretary of State's office. That same day, Respondents opened an account at Middlesex Federal Savings Bank ("Account").[2]

11. From October 12, 2024 through November 6, 2024, JW wired $163,000 to Respondents' Account to transfer to Feena. These were the only external deposits made to the Account.

12. From October 12, 2024 through November 9, 2024, Respondents, in perpetuation of the scheme, disbursed $161,979 to 14 unique accounts via CashApp transactions.[3] These disbursements were contrary to the purpose JW intended for his funds.

13. On November 27, 2024, Respondents closed the Account. The sole purpose of the Account, and ATL, was to receive and disburse JW's funds in perpetuation of the scheme.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

14. Feena induced JW to sell his Vanguard securities by:

A. Making false statements as to the identity and circumstances of a woman in southeast Asia in need of financial assistance; and

B. Making false statements as to the existence and viability of investment opportunities which were entirely fabricated.

15. By making the foregoing misrepresentations, Feena violated ORS 59.135(2).

[2] Townsend used a fraudulent Employer Identification Number and phone number on the account application.
[3] CashApp is a digital wallet that allows for electronic transfers of peer-to-peer payments.

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16. Feena employed a device, scheme, or artifice to defraud JW, in violation of ORS 59.135(1), and engaged in an act, practice, or course of business which operated as a fraud or deceit upon JW, in violation of ORS 59.135(3), by:

A. Making the foregoing misrepresentations;

B. Inducing JW to sell his Vanguard securities; and

C. Directing the transfer and disbursement of his liquidated funds, including disbursements to Respondents.

17. Respondents participated and materially aided in the sale of JW's Vanguard securities, and the corresponding fraud, by:

A. Forming ATL for the sole purpose of receiving and disbursing JW's funds in perpetuation of the scheme;

B. Opening the Account for the sole purpose of receiving and disbursing JW's funds in perpetuation of the scheme; and

C. Disbursing JW's funds in perpetuation of the scheme.

18. By participating and materially aiding in the sale of JW's Vanguard securities, and the corresponding fraud, Respondents are liable for violations resulting from that sale, under ORS 59.115(3).

19. By engaging in the conduct set forth in Paragraph (17), Respondents aided and abetted the sale of JW's Vanguard securities, and the corresponding fraud, under ORS 59.995(1).

20. Because the Director has reason to believe that Respondents have engaged, are engaging, or are about to engage in violations of the Oregon Securities Law, the Director may issue an order to Respondents to cease and desist from violations of the Oregon Securities Law under ORS 59.245(4).

21. Because the Director has reason to believe that Respondents have engaged or are about to engage in violations of the Oregon Securities Law, or that the use of any

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exemption by Respondents would work a fraud or imposition on purchasers, the Director may deny Respondents the use of exemptions to the securities registration requirements under ORS 59.045(2).

22. The Director may impose a civil penalty of up to $20,000 *per violation* upon any person who violates, or who procures, aids or abets the violation of, the Oregon Securities Law, under ORS 59.995(1).

23. The Director may order a person whose acts, omissions, practices, operations or violation of ORS 59.005 to 59.505 and 59.710 to 59.830 or a rule or order of the director causes harm to another person to pay restitution to the other person, under ORS 59.995(4).

ORDERS

Now therefore, the Director issues the following ORDERS:

24. As authorized by ORS 59.245(4), the Director hereby ORDERS Respondents to CEASE AND DESIST from violating ORS 59.135(1), (2), and (3).

25. As authorized by ORS 59.045(2), the Director hereby DENIES Respondents, and any successor business entity or any business entity owned, operated, or controlled by Respondents, the use of exemptions that would otherwise be available to Respondents under ORS 59.025 and ORS 59.035, concerning securities and transactions exempt from the registration requirements of the Oregon Securities Law.

26. As authorized by ORS 59.995(1), the Director hereby ORDERS that Respondents, jointly and severally, pay a CIVIL PENALTY totaling $40,000 as follows:

A. $20,000 for violating ORS 59.135(2); and

B. $20,000 for violating ORS 59.135(1) and (3).

27. As authorized by ORS 59.995(4), the Director hereby ORDERS that Respondents, jointly and severally, pay RESTITUTION to JW totaling $163,000.

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

SO ORDERED this 16th day of September, 2025.

SEAN O'DAY, Interim Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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NOTICE OF RIGHT TO JUDICIAL APPEAL

You are entitled to judicial review of this order in accordance with ORS 183.482. You may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is served. Note that under ORS 59.295(2), in the absence of a timely demand for a hearing, no person shall be entitled to judicial review of the order.

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