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

In the Matter of:

PREISZ ASSOCIATES, INC,
D/B/A PREISZ FINANCIAL,

(IARD #144469)

Respondent.

Case No. S-22-0118

FINAL ORDER TO CEASE AND DESIST,
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 (“Director”), acting in accordance with Oregon Revised Statutes (“ORS”) 59.005 to 59.451, 59.991 and 59.995, and the administrative rules promulgated thereunder (“the Oregon Securities Law”), has investigated the business activities of Preisz Associates, Inc. d/b/a Preisz Financial (“Respondent”).

Respondent wishes to resolve this matter with the Director.

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

FINDINGS OF FACT

The Director FINDS that:

1. Preisz Associates, Inc. is an Oregon corporation formed on June 15, 2000. Its principal place of business is in Portland, Oregon.
2. Preisz Financial is an assumed business name of Preisz Associates, Inc. registered with the Oregon Secretary of State, Corporation Division.
3. Respondent is a federal covered investment adviser with a principal place of business in Portland, Oregon. The Investment Adviser Registration Database number for

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





1 Respondent is #144469.

2 4. Between April 2020 and February 2022, Respondent, as a federal covered
3 investment adviser, employed two investment adviser representatives (“IAR B” and “IAR
4 C”) with a place of business in Oregon.

5 5. At times material to this Order, both IAR B and IAR C advised clients and
6 collected fees and/or solicited, offered or negotiated for the sale of or sold investment
7 advisory services on behalf of Respondent in Oregon.

8 6. Neither IAR B nor IAR C became licensed in Oregon as an investment
9 adviser representative to work for Respondent until 2022.

10 7. At times material to this Order, IAR B and IAR C were licensed in Oregon as
11 salespersons to work for a broker-dealer. The broker-dealer is a separate entity with its
12 own license.

13 8. In April 2020, IAR C applied for an investment adviser representative license
14 in Oregon to work for Respondent. The Division of Financial Regulation (“the Division”)
15 deemed IAR C’s license application for Oregon as deficient, and therefore IAR C’s
16 license was not approved in Oregon. The license application was deficient because IAR
17 C’s Series 66 examination, a licensing examination required to qualify for an investment
18 adviser representative license in Oregon, had expired.

19 9. Prior to 2020, IAR B applied for an investment adviser representative license
20 in Oregon to work for Respondent. The Division did not approve IAR B’s investment
21 adviser license application because IAR B’s license application was missing a required
22 dual undertaking form.

23 10. Without confirming the status of the investment adviser license applications of
24 IAR B and IAR C in Oregon, Respondent employed both IAR B and IAR C to work for
25 Respondent in Oregon.

26 11. After the above-described unlicensed activity was discovered by an examiner

1 employed by the Division, IAR B became licensed in Oregon to work for Respondent as
2 an investment adviser representative in May 2022, and IAR C became licensed in Oregon
3 to work for Respondent as an investment adviser representative in February 2022.

4 CONCLUSIONS OF LAW

5 The Director CONCLUDES that:

6 12. The Director has jurisdiction over the business activities of the Respondent
7 pursuant to ORS 59.235.

8 13. At times material to this Order, Respondent is and was a federal covered
9 investment adviser, as defined by ORS 59.015(4), operating from Portland, Oregon.

10 14. By advising clients and collecting advisory fees and/or soliciting, offering or
11 negotiating for the sale of or selling investment advisory services on behalf of
12 Respondent in Oregon, without an Oregon investment adviser representative license, IAR
13 B and IAR C each acted as an “investment adviser representative”, as defined by OAR
14 59.015(8)(a), for Respondent.

15 15. Between 2020 and 2022, neither IAR B nor IAR C was licensed in Oregon as
16 an investment adviser representative to work for Respondent.

17 16. Between 2020 and 2022, Respondent employed two unlicensed investment
18 adviser representatives.

19 17. By employing two investment adviser representatives that were not licensed in
20 Oregon as investment adviser representatives to work for Respondent, Respondent
21 violated ORS 59.165(4)(b).

22 18. Because the Director has reason to believe that Respondent has engaged, is
23 engaging, or is about to engage in violations of the Oregon Securities Law, the Director
24 may issue an order to Respondent to cease and desist from violations of the Oregon
25 Securities Law under ORS 59.245(4).

26 19. According to ORS 59.995, any person who violates or who procures, aids or



1 abets in the violation of the Oregon Securities Law may be subject to a civil penalty in an
2 amount not to exceed \$20,000 per violation, and every violation is a separate offense.

3 ORDERS

4 The Director issues the following ORDERS:

5 20. As authorized by ORS 59.245(4), the Director hereby ORDERS Respondent
6 to CEASE AND DESIST from violating ORS 59.165(4)(b).

7 21. As authorized by ORS 59.995(1), the Director ORDERS Respondent to pay a
8 total of \$10,000 to the Department of Consumer and Business Services, including: a civil
9 penalty of \$2,000 for violations of ORS 59.165(4)(b); a payment of \$4,000 to be allocated
10 for investigation costs; and a payment of \$4,000 to be allocated for the DCBS Consumer
11 Financial Education Account.

12 22. The CIVIL PENALTY of \$2,000 assessed against Respondent in paragraph 21,
13 as well as the payment of \$4,000 for investigation costs, and the payment of \$4,000 for the
14 DCBS Consumer Financial Education Account, are due and payable to the Department of
15 Consumer and Business Services at the time this Order is returned to the Division.

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

19 SO ORDERED this 5th day of September, 2023.

20 ANDREW R. STOLFI, Director
21 Department of Consumer and Business Services

22 /s/ Dorothy Bean
23 Dorothy Bean, Chief of Enforcement
24 Division of Financial Regulation

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Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
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CONSENT TO ENTRY OF ORDER BY
PREISZ ASSOCIATES, INC. D/B/A PREISZ FINANCIAL

Preis Associates, Inc. d/b/a Preis Financial (“Preis Financial”) states that its president with appropriate authority has read this Consent Order and fully understands its contents. Without admitting or denying the factual allegations stated herein, Preis Financial consents to the entry of this Consent Order, and will take any necessary steps to ensure that Preis Financial fully complies with the terms of the Order.

Preis Financial further states that it has been advised of its right to a hearing, that it has been represented by counsel in this matter, and voluntarily and without any force or duress expressly waives any right to a hearing in this matter. Preis Financial understands that the Director reserves the right to take further actions against Preis Financial to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Securities Law by Preis Financial.

Preis Financial understands that this Consent Order is a public document.

Michael A. Preisz is the president of Preisz Financial and is authorized to execute this Consent to Entry of Order on behalf of Preisz Financial.

Preis Associates, Inc. d/b/a Preis Financial

By: /s/ Michael A. Preisz
Michael A. Preisz
President
Preis Associates, Inc. d/b/a Preis Financial

State of Oregon

County of Multnomah

Subscribed and affirmed before me by Michael A. Preisz
this 24th day of August, 2023.

/s/ Patricia Lee Zimmerman
Notary Public

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
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