Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881

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

In the Matter of:

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Cutler Investment Counsel, LLC

DFCS File #S-11-0072 ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTY, AND CONSENT TO ENTRY OF ORDER

Respondent.

WHEREAS the Director of the Department of Consumer and Business Services ("the Director") has conducted an investigation of certain business activities conducted by Cutler Investment Counsel, LLC ("Respondent"), and the Director has determined that a provision of the Oregon Securities Law, Oregon Revised Statutes Chapter 59, specifically ORS 59.370(2) was violated; and

WHEREAS the Respondent wishes to resolve and settle this matter with the Director;

NOW THEREFORE, as evidenced by the authorized signature subscribed on this Order, the Respondent hereby **CONSENTS** to entry of this Order to Cease and Desist, Order Assessing Civil Penalty, and Consent to Entry of Order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director **FINDS** that:

- 1. Cutler Investment Counsel, LLC ("Cutler") is an Oregon limited liability company with a principal place of business at 525 Bigham Knoll, Jacksonville, Oregon 97530. Cutler registered with the Oregon Secretary of State, Corporation Division, in August 2003.
- 2. Cutler is an investment adviser registered with the United States Securities and Exchange Commission. The Investment Adviser Registration Depository number for Cutler is #128483.
 - 3. As a federal covered investment adviser, Cutler has complied with Oregon's notice

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filing and fee requirements for the firm, pursuant to ORS 59.175, but in early 2010, Cutler did												
not	file	reports	with	the	Director	regarding	the	status	of	certain	investment	advise
representatives employed by or associated with Cutler.												

- 4. In May 2010, Cutler self-reported information to the Division of Finance and Corporate Securities ("DFCS") regarding this matter.
- 5. DFCS has no record of consumer complaints concerning Cutler. DFCS has no record of prior enforcement history concerning Cutler. Cutler has undertaken certain remedial measures to enhance its compliance systems.

CONCLUSIONS OF LAW

The Director **CONCLUDES** that:

- 1. Cutler is a federal covered investment adviser, as defined by ORS 59.015(4).
- 2. Cutler failed to timely report information to the Director regarding the status of certain investment adviser representatives employed by or associated with Cutler, in violation of ORS 59.370(2).

ORDER

- 1. Pursuant to the authority of ORS 59.245, the Director hereby ORDERS Cutler Investment Counsel, LLC, and any successor business or corporation, to CEASE AND DESIST from:
- Failing to timely report information to the Director regarding investment adviser A. representatives employed by or associated with Cutler, in violation of ORS 59.370(2); and
- B. Violating any of the provisions of ORS Chapter 59 or Oregon Administrative Rules Chapter 441.
- Pursuant to the authority of ORS 59.995, the DIRECTOR hereby ASSESSES a CIVIL PENALTY in the amount of \$5,000 (five thousand dollars) against Cutler Investment Counsel, LLC, for violation of ORS 59.370(2). Cutler Investment Counsel, LLC must pay the civil penalty in full at signing, prior to the entry of this Order.
- Page 2 of 4 ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTY, AND CONSENT TO ENTRY OF ORDER – DFCS FILE # S-11-0072



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3.

waiving any right to a hearing in this matter; that Cutler understands that the Director reserves the right to take further actions to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Securities Law; and that Cutler will fully comply with the terms and conditions stated herein. Cutler understands that this Order is a public document. CUTLER INVESTMENT COUNSEL, LLC Chief Executive Officer

The entry of this Order in no way limits remedies which may be available to the

	1	State of Oregon							
	2	County of: <u>Jackson</u>							
	3	ACKNOWLEDGEMENT							
	4	There appeared before me this <u>9th</u> day of <u>August</u> , 2011, Brooke Ashland,							
	5	who was first duly sworn on oath, and stated that she is the Chief Executive Officer of Cutler							
	6	Investment Counsel, LLC, and she is authorized and empowered to sign this Consent to Entry of							
	7	Order on behalf of Cutler Investment Counsel, LLC and to bind Cutler Investment Counsel, LLC							
	8	to the terms hereof.							
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	10	/s/ Tracy L. Richards Notary Public							
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