

State of Missouri  
Office of Secretary of State

Case No. AP-07-53

IN THE MATTER OF:

MCADAMS WRIGHT RAGEN, INC.  
925 Fourth Avenue, Suite #3900  
Seattle, WA 98104,

Respondent.

**CONSENT ORDER**

1. The Missouri Securities Division (the "Securities Division") alleges that McAdams Wright Ragen, Inc., ("MWR") transacted business in the State of Missouri as a broker-dealer without being registered or exempt from registration in violation of Section 409.4-401(a), RSMo. (Cum. Supp. 2006).
2. The Securities Division alleges that MWR employed or associated with agents who transacted business in the State of Missouri on behalf of MWR, without the agents being registered or exempt from registration, in violation of Section 409.402(d).
3. MWR desires to settle the allegations and the matters raised by the Securities Division relating to MWR's alleged unregistered activities.
4. MWR and the Securities Division consent to the issuance of this Consent Order.
5. MWR stipulates and agrees to the issuance of this Consent Order without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein.
6. MWR waives its right to a hearing with respect to this matter.
7. MWR stipulates and agrees that it waives any rights that it may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order. Further, MWR specifically forever releases and holds harmless the Missouri Office of Secretary of State, Secretary of State, Commissioner of Securities and their respective representatives and agents from any and all liability and claims arising out of, pertaining to or relating to this matter.
8. MWR stipulates and agrees that, should the facts contained herein prove to be false or incomplete, the Missouri Securities Division preserves the right to pursue any and all legal or administrative remedies at its disposal.

**STIPULATIONS OF FACT**

9. MWR is a broker-dealer with an address of 925 Fourth Avenue, Suite #3900, Seattle, WA 98104.

10. MWR has never been registered as a broker-dealer in the State of Missouri.
11. MWR transacted business in the State of Missouri as a broker-dealer from November 14, 2005 to date without being registered or exempt as a broker-dealer in the State of Missouri.
12. From November 14, 2005 to date, MWR employed or associated with eight unregistered broker-dealer representatives who transacted business on behalf of the firm.
13. During the time period November 14, 2005 to date, MWR maintained accounts for eight clients that were Missouri residents and transacted business with the firm.
14. While unregistered, MWR charged \$28,656.20 for the transactions effected with Missouri clients.

### **JURISDICTIONAL BASIS**

15. Section 409.6-601(a), RSMo. (Cum. Supp. 2006), provides that the Securities Act of 2003 shall be administered by the commissioner of securities (the "Commissioner").
16. Section 409.6-604(a), RSMo. (Cum. Supp. 2006), provides that if the Commissioner determines that a person is engaging in an act, practice or course of business constituting a violation of the Securities Act, the Commissioner may issue an order directing the person to take action necessary or appropriate to comply with the Securities Act.
17. Section 409.6-604(h), RSMo. (Cum. Supp. 2006), provides that the Commissioner is authorized to issue administrative consent orders in the settlement of any proceeding in the public interest under this act.

### **CONCLUSIONS OF LAW**

18. MWR violated Section 409.4.401(a), RSMo. (Cum. Supp. 2006), when it transacted business in this state as a broker-dealer without being registered, or exempt from registration under the Securities Act.
19. MWR violated Section 409.4-402(d) when it employed or associated with agents who transacted business in the State of Missouri on behalf of MWR without being registered or exempt from registration under the Securities Act,

### **ORDER**

**WHEREAS**, the Commissioner, after consideration of the above and on the consent of MWR and the Securities Division, finds the following Order to be in the public interest, necessary for the protection of public investors and consistent with the provisions of Chapter 409, RSMo. (Cum. Supp. 2006).

**NOW, THEREFORE**, it is hereby Ordered that:

1. McAdams Wright Ragen, Inc., is prohibited from transacting business as a broker-

dealer in the State of Missouri in violation of Section 409.4-401(a), RSMo. (Cum. Supp. 2006).

2. McAdams Wright Ragen, Inc., is prohibited from employing or associating with agents who transact business in the State of Missouri on its behalf in violation of Section 409.4-401(a), RSMo. (Cum. Supp. 2006).
3. McAdams Wright Ragen, Inc., will pay two thousand five hundred dollars (\$2,500) to the Missouri Secretary of State's Investor Education and Protection Fund. MWR will deliver a check to the Securities Division in the amount of \$2,500 made payable to the Missouri Secretary of State to be deposited into the Missouri Secretary of State's Investor Education and Protection Fund.
4. McAdams Wright Ragen, Inc., shall pay its own costs and attorneys fees with respect to this matter.

**SO ORDERED:**

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,  
MISSOURI THIS 18<sup>TH</sup> DAY OF OCTOBER, 2007.

ROBIN CARNAHAN  
SECRETARY OF STATE

(Signed/Sealed)  
MATTHEW D. KITZI  
COMMISSIONER OF SECURITIES

Consented to by:

Nathan J. Soendker  
Chief Registration Counsel  
MO Bar #56715  
Attorney for Securities Division

McAdams Wright Ragen, Inc.