

BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO

STATE OF IDAHO, Department of Finance,
Securities Bureau,
Complainant,

vs.

GARY K. SCHIESS,
Respondent.

Docket No. 1998-7-68

AGREEMENT AND ORDER

The Director of the Department of Finance has investigated the securities activities of Gary K. Schiess (Respondent) in Idaho. Pursuant to said investigation, it appears to the Director that violations of the Idaho Securities Act, Idaho Code §30-1401 et seq., have occurred. The Director and Respondent have agreed to resolve this matter without a public hearing. Therefore, the Director deems it appropriate and in the public interest that this Agreement and Order be entered. Respondent consents to the entry of this Agreement and Order.

BACKGROUND

1. Respondent has been a registered broker-dealer representative with WMA Securities, Inc. (WMA), since June 6, 1994. He is the supervisor of the branch office in question and located at 1616 Addison Avenue E, Twin Falls, Idaho.

2. On May 20, 1997, the Department conducted a routine broker-dealer examination of the above-referenced branch office of WMA.

3. During the examination, the Department discovered that Respondent failed to supervise the above-referenced branch office as required by Rule 119.03(a) pursuant to the Idaho Securities

Act (IDAPA 12.01.08.119.03(a)) in that he signed customer new account forms without review and prior to the completion of those forms by the client or the branch manager.

4. The Department's examination also revealed that Respondent failed to review and sign certain customer new account forms that were completed by the branch manager and the client in violation of Rule 119.01 (IDAPA 12.01.08.119.01) and Rule 119.03 (a) (IDAPA 12.01.08.119.03(a)).

FINDINGS OF VIOLATIONS

5. Respondent has failed to adequately supervise the above-referenced branch office. This is evidenced by the fact that Respondent signed customer new account forms prior to completion of these forms, and by his failure to review and sign certain customer new account forms that were completed. Respondent has violated Rule 119.03(a) (IDAPA 12.01.08.119.03(a)) which requires the review and approval of customer new account information.

6. Respondent has violated Idaho Code §30-1413(2) which provides grounds for the suspension of the registration of a salesman.

REMEDIES

7. Respondent admits the allegations contained in this Agreement and Order.


8. Respondent agrees to a one (1) day suspension of his broker-dealer representative registration. Such suspension will commence the first business day after the date this Order is signed by both parties.


9. Respondent agrees to pay a fine to the Department in the amount of three thousand

dollars (\$3,000) within thirty (30) days of the date of this Agreement and Order.

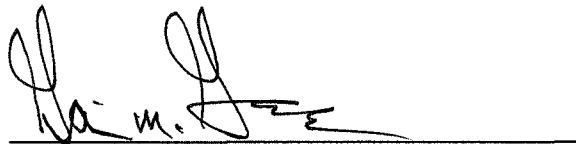
10. Respondent agrees to comply with the provisions of the Idaho Securities Act in future securities transactions.

DONE AND DATED at Boise, Idaho this 26th day of ~~May~~, ^{January}, 1998. ^{1999.}


GARY K. SCHIESS


MARILYN T. SCANLAN
Bureau Chief, Securities Bureau
Department of Finance
State of Idaho

IT IS SO ORDERED This 26th day of ~~May~~, ^{January}, 1998. ^{1999.}


GAVIN M. GEE
Director of Finance

