

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF DETERMINING) Order Number S-08-060-08-CO01
Whether there has been a violation of the)
Securities Act of the State of Washington by:) CONSENT ORDER
)
)
)
Corey Pritchett)
Respondent)

INTRODUCTION

Pursuant to the Securities Act of Washington, RCW 21.20, the Securities Division of the Department of Financial Institutions (“Securities Division”) and Respondent, Corey Pritchett, do hereby enter into this CONSENT ORDER in settlement of the matters alleged herein. Respondent neither admits nor denies the Findings of Fact and Conclusions of Law stated below.

FINDINGS OF FACT

I. RESPONDENT

1. Corey Pritchett (“Pritchett”) is a resident of the State of Oregon and is the pastor/evangelist for Northwest Deliverance Ministries. On January 16, 2008, Pritchett was sentenced in Multnomah County, Oregon, to 94 months in state prison for convictions of 32 counts including theft by deception, securities fraud, and other securities-related felonies. Pritchett also faces an additional 25 charges of defrauding people in Clackamas County, Oregon.

1 II. NATURE OF THE OFFERING

2 2. In 2005, Pritchett offered and sold a real estate related investment in the form of a
3 promissory note to at least one Washington investor. The investment made totaled at least
4 \$2,000. The Washington investor was not accredited or sophisticated in financial matters.

5 3. Pritchett told the Washington investor that the money would be used to “help with
6 the purchase of a home”, renovate it, and sell it for a profit. Pritchett also told the Washington
7 investor that he would receive a 30% return on his investment within one month, and that the
8 investment was guaranteed. The Washington investor did not participate in the management of
9 the investment. The Washington investor was not provided with any offering documents,
10 financial statements or other written documentation. On December 6, 2005, the Washington
11 investor provided written notice to Pritchett demanding a refund of his investment money.
12 Pritchett has not responded to the refund request.

13 III. MISREPRESENTATIONS AND OMISSIONS

14 4. Pritchett failed to provide material information regarding the investment
15 including, but not limited to, prospectus information such as the specific use of the proceeds of
16 the offering, financial statements, and general and specific risk factors involved in the
17 investment.
18 investment.

19 IV. REGISTRATION STATUS

20 5. Corey Pritchett is not currently registered as a securities salesperson or
21 broker-dealer in the State of Washington and has not previously been so registered.

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1 Based upon the Findings of Fact, the following Conclusions of Law are made:

2 **CONCLUSIONS OF LAW**

3 1. The offer and sale of the investment described above constitutes the offer and sale
4 of a security as defined in RCW 21.20.005(10) and (12).

5 2. In connection with the offer and sale of said securities, Respondent, Corey
6 Pritchett, violated RCW 21.20.010 because, as set forth in the Tentative Findings of Fact,
7 Respondent made misstatements of material facts and/or omitted to state material facts necessary
8 in order to make the statements made, in light of circumstances under which they were made, not
9 misleading and/or engaged in acts and practices that operated as fraud or deceit.
10

11 3. Corey Pritchett violated RCW 21.20.140 by offering and selling unregistered
12 securities.

13 4. Corey Pritchett violated RCW 21.20.040 by offering and selling said securities
14 while not registered as a securities salesperson or broker-dealer in the State of Washington.
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16 **CONSENT ORDER**

17 Based upon the foregoing and finding it in the public interest:

18 IT IS AGREED AND ORDERED that Respondent, Corey Pritchett, and his agents and
19 employees each shall cease and desist from offering or selling securities in violation of RCW
20 21.20.140, the securities registration section of the Securities Act of Washington.
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22 IT IS FURTHER AGREED AND ORDERED that Respondent, Corey Pritchett, and his
23 agents and employees each shall cease and desist from acting as unregistered securities
24 broker-dealers or salespersons in violation of RCW 21.20.040, the broker-dealer and
25 securities salesperson registration section of the Securities Act of Washington.

1 IT IS FURTHER AGREED AND ORDERED that Respondent, Corey Pritchett, and his
2 agents and employees each shall cease and desist from violating RCW 21.20.010, the anti-fraud
3 section of the Securities Act of Washington.

4 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this
5 Consent Order.

6 IT IS FURTHER AGREED that in consideration of the foregoing Respondent, Corey
7 Pritchett, waives his right to a hearing in this matter and judicial review of this Consent Order.
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9 IT IS FURTHER AGREED that Respondent, Corey Pritchett, enters this Consent Order
10 freely and voluntarily.

11 SIGNED this 24th day of July, 2008

12 Signed by:

13 Corey Pritchett
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15 By _____ /s/
16 Corey Pritchett, an individual

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18 DATED AND ENTERED this 30th day of July, 2008

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20 MICHAEL E. STEVENSON
21 Securities Administrator

22 Approved by:

23 
24 Martin Cordell
25 Chief of Enforcement

Presented by:


Patrick Kim
Enforcement Attorney