

BEFORE THE SECURITIES COMMISSIONER  
OF THE STATE OF KANSAS



In the Matter of:

RICHARD ANGELO FANCHER (CRD# 1139618),

Docket No. 13E001  
KSC No. 2012-5924

Respondent.

\_\_\_\_\_/   
Pursuant to K.S.A. 17-12a412

**STIPULATION FOR CONSENT ORDER**

This proceeding follows an examination and investigation conducted by the staff of the Office of the Kansas Securities Commissioner, pursuant to K.S.A. 17-12a411(d) and K.S.A. 17-12a602. As a result of the examination and investigation, staff for the Office of the Kansas Securities Commissioner alleges that:

**Allegations of Fact**

1. Respondent, Richard Angelo Fancher, is registered with the Office of the Kansas Securities Commissioner as an agent for NYLIFE Securities, LLC, CRD #5167, a broker-dealer.
2. Respondent has a business address of 7500 College Blvd., Suite 800, Overland Park, Kansas 66210 and a residential address of [REDACTED].
3. NYLIFE Securities, LLC has a mailing address of 51 Madison Avenue, Room 713, New

York, New York 10010.

**Form U-4 Disclosure**

4. Respondent is subject to the following outstanding tax liens and tax warrants:
  - a. Tax warrant in the amount of \$693.00 filed by the State of Kansas on or about November 22, 1993;
  - b. Tax lien in the amount of \$2,599.00 filed by the Internal Revenue Service on or about December 19, 1995;
  - c. Tax lien in the amount of \$7,507.00 filed by the Internal Revenue Service on or about December 19, 1995;
  - d. Tax lien in the amount of \$1,647.00 filed by the Internal Revenue Service on or about May 29, 1996;
  - e. Tax warrant in the amount of \$5,052.00 filed by the State of Kansas on or about August 30, 1996;
  - f. Tax warrant in the amount of \$1,440.00 filed by the State of Kansas on or about August 31, 1998;
  - g. Tax warrant in the amount of \$2,390.00 filed by the State of Kansas on or about December 18, 1998;
  - h. Tax warrant in the amount of \$478.00 filed by the State of Kansas on or about April 9, 2002;
  - i. Tax warrant in the amount of \$12,613.00 filed by the State of Kansas on or about June 7, 2005;
  - j. Tax warrant in the amount of \$3,693.00 filed by the State of Kansas on or about April 6, 2006;
  - k. Tax warrant in the amount of \$6,306.00 filed by the State of Kansas on or about February 2, 2009.
5. None of the tax liens and tax warrants listed in Paragraph 4 were disclosed on Respondents Form U-4 until June, 28, 2011.
6. Respondent was subject to the following tax liens and judgment that are no longer

outstanding and have been released:

- a. Tax lien in the amount of \$14,187.00 filed by the Internal Revenue Service on or about May 28, 1996;
  - b. Tax lien in the amount of \$14,187.00 filed by the Internal Revenue Service on or about October 21, 2003;
  - c. Civil judgment in the amount of \$561.00 granted in favor of the Board of County Commissioners on or about January 4, 2006.
7. The tax liens and civil judgment listed in Paragraph 6 were not disclosed on Respondent's Form U-4 until June 28, 2011.
  8. Respondent is subject to an outstanding tax lien in the amount of \$67,939.96. Said tax lien was filed by the Internal Revenue Service on or about March 2, 2006.
  9. The tax lien referenced in Paragraph 8 is not currently disclosed, and never has been disclosed, on Respondent's Form U-4.
  10. Respondent filed a bankruptcy petition in 1994.
  11. The fact that Respondent filed for bankruptcy was never disclosed on Respondent's Form U-4.

**General Standard of Conduct**

12. On or about September 14, 2004, October 19, 2005, October 30, 2006, June 5, 2007, March 11, 2008, January 20, 2009, and March 25, 2010, Respondent answered "yes" to the following question, or a significantly similar question, on the Annual Interview and Inspection Form completed by NYLIFE Securities:

Do you understand, and have you complied with, the rule that you update your FINRA Form U4 including change of contract status from TAS to established agent, any change of address, customer complaints, court or regulatory disciplinary actions, being subject to a final order of a state securities banking or insurance regulator, bankruptcies, tax liens,

litigation, arbitration and outside business activities or any changes to previously disclosed events or information?

### Allegations of Law

#### Form U-4 Disclosure

13. Respondent is subject to, or has been subject to, five tax liens, eight tax warrants, and one civil judgment that were not promptly disclosed on Respondent's Form U-4, in violation of K.A.R. 81-3-1(c)(4).
14. Respondent is subject to one tax lien and has filed a bankruptcy that have never been disclosed on Respondent's Form U-4, in violation of K.A.R. 81-3-1(c)(4).

#### General Standard of Conduct

15. Respondent [REDACTED] answered "yes" on his Annual Interview and Inspection Form to the question referenced in Paragraph 12 above. Such [REDACTED] failure to disclose material facts constitute a failure to observe high standards of commercial honor and just and equitable principles of trade, in violation of K.A.R. 81-3-6(c).

Respondent, wishing to obtain disposition of this matter without invoking any right to a hearing before the Securities Commissioner, or his designee, has determined not to contest the issuance of an order by the Commissioner on the basis of the above allegations.

**IT IS THEREFORE STIPULATED AND AGREED** by Respondent and staff for the Kansas Securities Commissioner that:

1. The Consent Order may be issued by the Kansas Securities Commissioner without further proceedings in this matter.

2. Respondent neither admits nor denies the allegations of the Commissioner's staff.
3. Respondent agrees that:
  - a. he will be publicly censured;
  - b. he will pay a fine of \$3,500.00;
  - c. complete and full payment of said fine will be delivered to the Office of the Kansas Securities Commissioner located at 109 SW 9th Street, Suite 600, Topeka Kansas, 66612 within 30 days of the date of the Consent Order; and
  - d. said fine shall be paid in the form of a cashier's check or money order made payable to the Office of the Kansas Securities Commissioner.
4. Staff for the Kansas Securities Commissioner agrees that the Allegations of Fact recited in this Stipulation for Consent Order shall not be used as the basis for any further actions by the Kansas Securities Commissioner against the Respondent.
5. Respondent hereby waives his right to a hearing before the Commissioner with respect to this matter, the issuance of the Consent Order, and the above allegations.

APPROVED BY:



Richard Fancher  
Respondent

June 29, 2012  
Date

OFFICE OF THE KANSAS SECURITIES COMMISSIONER  
By:



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ATTORNEY FOR THE SECURITIES COMMISSIONER

7/10/2012  
Date