

WAC 460-21B-010 Churning. The phrase "employ any device, scheme or artifice," as used in RCW 21.20.010(1), is hereby defined to include any act of any broker-dealer or agent designed to effect with or for any customer's account with respect to which such broker-dealer or his/her agent or employee is vested with any discretionary power, or with respect to which he/she is able by reason of the customer's trust and confidence to influence the volume and frequency of the trades, any transactions of purchase or sale which are excessive in size or frequency in view of the financial resources and character of such account.

[Statutory Authority: RCW 21.20.070 and 21.20.450. WSR 95-16-026, § 460-21B-010, filed 7/21/95, effective 8/21/95.]