

Division of Securities
Utah Department of Commerce
160 East 300 South
P.O. Box 146760
Salt Lake City, Utah 84114-6760
Telephone: 801 530-6600
Facsimile: 801 530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

FIRST WESTERN ADVISORS, INC., CRD
#13623;
GARY W. TERAN, CRD #1076442;
DAVID A. RUSSON, CRD # 1194052;
BRIAN G. KASTELER, CRD #2182796;
and CARL A. PAGE, CRD # 710908

Respondents.

**STIPULATION AND CONSENT
ORDER AS TO DAVID A. RUSSON AND
BRIAN G. KASTELER**

Docket No. SD-07-0015

Docket No. SD-07-0016

Docket No. SD-07-0017

Docket No. SD-07-0018

Docket No. SD-07-0019

The Utah Division of Securities (“Division”), by and through its Director of Licensing, George Robison, and Respondents David A. Russon (“Russon”) and Brian G. Kasteler (“Kasteler”) (referred to hereinafter at times as “Settling Respondents”), hereby stipulate and agree as follows:

1. Settling Respondents and Gary W. Teran, Carl A. Page, and First Western Advisors, Inc., were the subject of an examination conducted by the Division into allegations that they violated the Utah Uniform Securities Act (“Act”), Utah Code Ann. § 61-1-1, *et seq.*

2. On February 16, 2007, the Division filed a Petition to Revoke Licenses, Bar Licensees, and Impose Fines against the Respondents. The actions against Gary W. Teran, Carl A. Page, and First Western Advisors, Inc., are currently pending.
3. In lieu of proceeding with the formal action, the Settling Respondents and the Division have agreed to settle this matter by way of this Stipulation and Consent Order (“Order”). If entered, the Order will fully resolve all claims the Division has against the Settling Respondents pertaining to this matter.
4. Settling Respondents admit the jurisdiction of the Division over them and over the subject matter of this action.
5. Settling Respondents waive any right to a hearing to challenge the Division’s evidence and present evidence on their behalf.
6. Settling Respondents have read the Order, understand its contents and submit to this Order voluntarily. No promises or threats have been made by the Division, nor by any representative of the Division, to induce them to enter into this Order, other than as described in this Order.
7. Settling Respondents are represented by attorney Erik A. Christiansen and are satisfied with the legal representation they have received.

I. DIVISION FINDINGS OF FACT

8. First Western Advisors, Inc. (“FWA”) is a Utah corporation which maintains its principal place of business in Salt Lake City, Utah. FWA has been licensed in Utah as a broker-dealer since November 10, 1983, and is also a federal covered investment adviser.
9. Gary W. Teran (“Teran”) has been licensed in Utah as a broker-dealer agent of FWA

since January 24, 1986, and as an investment adviser representative of FWA since January 5, 1995. Teran is President of FWA and has served in such capacity during all times relevant to this action.

10. David A. Russon (“Russon”) has been licensed in Utah as a broker-dealer agent of Cambridge Investment Research Inc. since September 30, 2006, and as an investment adviser representative of Cambridge Investment Research Advisors, Inc. since October 3, 2006. From April 29, 1988 until September 30, 2006, Russon was licensed as a broker-dealer agent of FWA, and from July 11, 1994 until September 30, 2006, Russon was licensed as an investment adviser representative of FWA.
11. Brian G. Kasteler (“Kasteler”) has been licensed in Utah as a broker-dealer agent of MML Investor Services, Inc. since October 2003. From October 2, 1992 until September 30, 2003, Kasteler was a licensed broker-dealer agent of FWA, and from April 7, 1997 until September 30, 2003, he was an investment adviser representative of FWA.
12. Carl A. Page (“Page”) has been licensed in Utah as a broker-dealer agent of FWA since July 9, 1992.
13. Between 1998 and 2002, Settling Respondents recommended Class B and Class C mutual fund shares in numerous fund families to six customers who were investing large dollar amounts. Based upon the total monies invested, the clients were eligible to receive breakpoint discounts on the purchase of Class A shares, which would have reduced commissions, costs, and expenses associated with the investments.

II. CONCLUSIONS OF LAW

14. Due to their higher costs and higher annual expenses, Class B shares were unsuitable,

warranting sanctions under Section 61-1-6(2)(g) of the Act.

III. AGREEMENT

15. Settling Respondents neither admit nor deny the Division's investigative findings and conclusions, but consent to the Division entering an Order requiring that the following action be taken within thirty (30) days following entry of this Order:
 - a. Settling Respondents shall offer the clients whose accounts were at issue in this action the option of converting their Class B or Class C shares to Class A shares at no charge to the clients; and
 - b. Settling Respondents shall offer to pay each of the six clients the 75 basis point difference for expenses incurred due to higher 12b-1 fees associated with Class B or Class C shares purchased.
16. Settling Respondents agree to fully cooperate in the Division's case against FWA, Teran, and Page.
17. Settling Respondents represent that the Division's March 12, 2007 Press Release caused harm to the reputations of Mr. Russon and Mr. Kasteler, and are pleased that the Division issued a subsequent Press Release expressing regret for any harm caused by the Division's March 12 Press Release.
18. The Division and Settling Respondents agree that upon the entry of this Order, a press release, as agreed upon by the parties, may be issued describing the resolution of this matter.

IV. FINAL RESOLUTION

19. Settling Respondents acknowledge that this Order, upon approval by the Division

Director shall be the final compromise and settlement of this matter. Settling Respondents further acknowledge that if the Division Director does not accept the terms of the Order, it shall be deemed null and void and without any force or effect whatsoever.

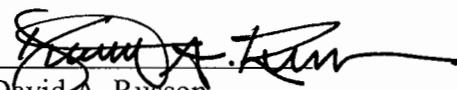
20. Settling Respondents acknowledge that the Order does not affect any civil or arbitration causes of action that third-parties may have against Settling Respondents arising in whole or in part from their actions, and that the Order does not affect any criminal cause of action that a prosecutor might bring.
21. This Order constitutes the entire agreement between the parties herein and supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements which modify, interpret, construe, or otherwise affect this Order in any way.

Utah Division of Securities

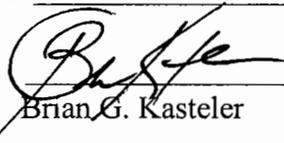
Date: 03/20/07

By: 
George Robison
Director of Licensing

Date: 3-20-2007

By: 
David A. Russon

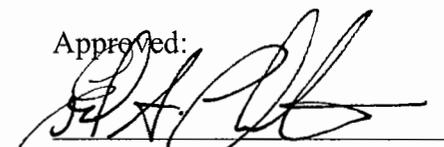
Date: 3-20-2007

By: 
Brian G. Kasteler

Approved:


Laurie L. Noda
Assistant Attorney General

Approved:


Erik A. Christiansen
Counsel for Settling Respondents

ORDER

IT IS HEREBY ORDERED THAT:

1. The Division has made a sufficient showing of Findings of Fact and Conclusions of Law to form a basis for this settlement.
2. Within thirty (30) days following entry of this Order, Settling Respondents shall:
 - a. offer the clients whose accounts were at issue in this action the option of converting their Class B or Class C shares to Class A shares at no charge to the clients; and
 - b. offer to pay each of the six clients the 75 basis point difference for expenses incurred due to higher 12b-1 fees associated with Class B or Class C shares purchased;
3. Settling Respondents fully cooperate in the Division's case against FWA, Teran and Page.
4. Settling Respondents will comply with the requirements of the Utah Uniform Securities Act in all future business in this state.

DATED this 21st day of March, 2007.


WAYNE KLEIN
Director, Utah Division of Securities

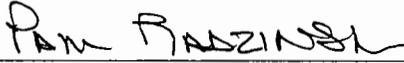


Certificate of Mailing

I certify that on the 21st day of MARCH 2007, I mailed a true and correct copy of the

Stipulation and Consent Order to:

Erik A. Christiansen
Parsons Behle and Latimer
201 South Main Street Suite 1800
Salt Lake City, UT 84111
Attorney for Respondents


Executive Secretary