

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
THE FIRST NATIONAL CENTER  
120 N. ROBINSON, SUITE 860  
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

First Interstate Financial Services, Inc. (CRD No. 118753),  
David A. Hinkle (CRD No. 2848447), and  
Errol Dean Chittenden (CRD No. 501952),

Respondents.

File No. 11-075

**AGREEMENT**

**THIS AGREEMENT** is entered into between and among First Interstate Financial Services, Inc. (First Interstate), David A. Hinkle (Hinkle), Errol Dean Chittenden (Chittenden) (collectively, Respondents), and the Administrator ("Administrator") of the Oklahoma Department of Securities (Department) as of the Effective Date set forth below. The entities and persons identified in this paragraph are collectively referred to as "the Parties" in this Agreement.

Pursuant to Section 1-410 of the Oklahoma Uniform Securities Act of 2004 (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2010), and the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (as amended July 1, 2007) (Rules), the Examinations Division of the Department attempted to conduct an inspection of the records of First Interstate, and the activities of Hinkle and Chittenden. Based thereon, an *Enforcement Division Recommendation to Suspend Registrations and Impose Civil Penalties* (Recommendation) was filed with the Administrator on August 3, 2011, seeking the imposition of sanctions against Respondents.

Respondents enter into this Agreement without the adjudication of any issue of law or fact and without admitting or denying a violation of the Act or Rules, except admitting that the Administrator has jurisdiction over Respondents and the subject matter of this action. Respondents voluntarily waive their right to a hearing provided by the Act, the Rules, and the Oklahoma Administrative Procedures Act, and any right to appeal.

The undersigned Parties hereto agree as follows:

1. **Jurisdiction.** The Administrator has jurisdiction over Respondents and the subject matter of this action.

2. **Order.** The Administrator shall issue an order relating to Respondents in the form attached hereto as "Attachment A" (Order). The Effective Date of the Order shall be October 15, 2011 (the "Effective Date").

3. **First Interstate.** As of the Effective Date of the Order, First Interstate's registration under the Act as an investment adviser shall be suspended through the end of the calendar year 2011. First Interstate agrees that its registration shall lapse at the end of that period and that it will not be eligible to reapply for registration. First Interstate, Hinkle, and Chittenden agree that between the date of the Agreement and the Effective Date of the Order, they will not begin any new business, but will only resolve old business and otherwise conclude the business of First Interstate. In the event any invoices issued by First Interstate for services rendered prior to the Effective Date of the Order remain unpaid and outstanding as of the Effective Date of the Order, First Interstate shall be entitled to receive and retain any payments received after the Effective Date of the Order; however, First Interstate, Hinkle and Chittenden are prohibited from rendering any investment adviser services and issuing any new invoices after the Effective Date of the Order and during the terms of suspensions as set forth in Sections 3 and 4 herein.

4. **Hinkle and Chittenden.** As of the Effective Date of the Order, Hinkle's and Chittenden's registrations under the Act as investment adviser representatives of First Interstate shall be suspended through the end of the calendar year 2011. Hinkle and Chittenden agree that their registrations shall lapse at the end of such period and that they will not be eligible to reapply for registration until after March 31, 2012. After March 31, 2012, Hinkle and Chittenden may reapply for registration under the Act as investment adviser representatives of a federal or state registered investment adviser in good standing with the Department. Hinkle and Chittenden agree that should they become reregistered as investment adviser representatives, such registration shall be conditioned upon 1) their not serving as an officer, director or other control person of the investment adviser with whom they are affiliated and 2) their being subject to heightened supervision by the investment adviser (the "Re-registration Conditions"). The condition subjecting Hinkle and Chittenden to heightened registration shall expire on December 31, 2015. Hinkle or Chittenden, at any time, may submit a written request to the Administrator to eliminate or modify one or both of the Re-registration Conditions. The decision whether to grant or deny any such request is within the sole discretion of the Administrator. Hinkle and Chittenden will also be censured by the Administrator in the Order.

5. **Cooperation.** Respondents shall cooperate fully and timely with any and all efforts by the Department to monitor and verify compliance with this Agreement and the Order.

6. **Compliance with the Act.** Respondents shall comply with all provisions of the Act and Rules, and successors to the Act and Rules, in connection with offers and/or sales of securities and the rendering of investment advice, in and/or from the state of Oklahoma.

7. **Public Record.** Respondents acknowledge and understand that this Agreement and the Order are public records that will be available for public examination, pursuant to Section 1-607 of the Act.

8. **No Coercion.** Respondents enter into this Agreement voluntarily and without any duress, undue influence, or coercion by the Administrator, any employee of the Department, or any member of the Oklahoma Securities Commission.

9. **Consideration.** In consideration for this Agreement, the Administrator shall not take further action against Respondents in connection with the allegations contained in the Recommendation, except as provided in Items 10 and 12 below.

10. **Failure to Comply.** If the Department discovers that Respondent Hinkle or Chittenden has transacted business as an investment adviser representative in or from Oklahoma while his registration was suspended pursuant to Item 4 above, the Department may summarily suspend his registration(s), if any, under the Act pending an administrative hearing to be conducted pursuant to Section 1-411(F) of the Act, or a similar provision of a successor to the Act, on whether Respondent Hinkle or Chittenden have violated the Agreement and/or Order. If Respondents fail to comply with this Agreement in any other respect, the Department may initiate an action against Respondents as authorized by law.

11. **Entire Agreement.** This writing constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations and understandings of the Parties. No supplement, modification or amendment to this Agreement shall be binding unless executed in writing by each of the Parties hereto.

12. **Limitation on Agreement.** Nothing in this Agreement shall prohibit the Administrator from furnishing information to any other properly constituted agency or authority. In the event any other agency or authority commences an action in connection with information obtained by the Administrator against Respondents, the Administrator may assist in such action as authorized by law.

13. **Applicability.** This Agreement applies only to the activities of Respondents and to no others. It is further agreed that the execution of this Agreement does not mean that the Administrator has passed in any way upon the merits or qualifications of, or recommended or given approval to, the transactions or activities to which it relates or any future securities transactions.

14. **Effective Date.** This Agreement shall be effective as of the date on which it is signed by the Administrator as set forth below his signature hereto.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year set forth below their signatures hereto.

**FIRST INTERSTATE FINANCIAL SERVICES, INC.**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**DAVID A. HINKLE**

\_\_\_\_\_

Date: \_\_\_\_\_

**ERROL DEAN CHITTENDEN**

*Errol Dean Chittenden*

Date: 9/21/2011

**IRVING L. FAUGHT, ADMINSTRATOR  
OKLAHOMA DEPARTMENT OF SECURITIES**

\_\_\_\_\_

Date: \_\_\_\_\_

**FIRST INTERSTATE FINANCIAL SERVICES, INC.**

By: David A. Hinkle

Print Name: David A. Hinkle

Title: PRESIDENT CEO

Date: 9-21-2011

**DAVID A. HINKLE**

David A. Hinkle

Date: 9-21-2011

**ERROL DEAN CHITTENDEN**

\_\_\_\_\_  
Date: \_\_\_\_\_

**IRVING L. FAUGHT, ADMINSTRATOR  
OKLAHOMA DEPARTMENT OF SECURITIES**

Irving L. Faught

Date: 9/26/11

**STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
THE FIRST NATIONAL CENTER  
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In the Matter of:

First Interstate Financial Services, Inc. (CRD No. 118753),  
David A. Hinkle (CRD No. 2848447), and  
Errol Dean Chittenden (CRD No. 501952),

Respondents.

File No. 11-075

**ORDER**

Pursuant to Section 1-410 of the Oklahoma Uniform Securities Act of 2004 (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2010), and the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (as amended July 1, 2007) (Rules), the Examinations Division of the Department attempted to conduct an inspection of the records of First Interstate Financial Services, Inc. (First Interstate), and the activities of David A. Hinkle (Hinkle) and Errol Dean Chittenden (Chittenden). Based thereon, an *Enforcement Division Recommendation to Suspend Registrations and Impose Civil Penalties* (Recommendation) was filed with the Administrator on August 3, 2011, seeking the imposition of sanctions against Respondents.

In order to resolve this matter, Respondents voluntarily executed the Agreement, attached hereto as "Exhibit A" and incorporated herein by reference (Agreement), without admitting or denying any violation of the Act or Rules or any of the findings or conclusions contained in the Recommendation except as to the Administrator's jurisdiction over Respondents and the subject matter of this action.

This Order is issued pursuant to Section 1-411 of the Act, Rule 660:2-5-3, and Item 2 of the Agreement. For purposes of this Order, the Administrator hereby adopts the following Findings of Fact and Conclusions of Law: (1) Through their execution of the Agreement, Respondents consented to the entry of this Order, (2) it is in the public interest for the Administrator to issue this Order, and (3) the Administrator is authorized by law to issue this Order.

**NOW THEREFORE, IT IS HEREBY ORDERED** that the investment adviser registration of Respondent First Interstate and the investment adviser representative registrations of Hinkle and Chittenden are suspended beginning as of the Effective Date of this Order until the end of the calendar year 2011, and that upon conclusion of the suspension, their registrations will lapse. After March 31, 2012, Hinkle and Chittenden may reapply for registration under the Act

as investment adviser representatives of a federal or state registered investment adviser in good standing with the Department. Any future registration of Hinkle or Chittenden shall be conditioned upon 1) their not serving as an officer, director or other control person of the investment adviser with whom they are affiliated, and 2) their being subject to heightened supervision by the investment adviser (the "Re-registration Conditions"). The condition subjecting Hinkle and Chittenden to heightened supervision shall expire on December 31, 2015. Hinkle or Chittenden may at any time submit a written request that the Department eliminate or modify one or both of the Re-registration Conditions. The decision whether to grant or reject any such request is within the sole discretion of the Administrator.

**IT IS FURTHER ORDERED** that Respondent Hinkle and Chittenden are censured in connection with their activities alleged in the Recommendation.

**IT IS FURTHER ORDERED** that the Effective Date of this Order shall be October 15, 2011.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this \_\_\_\_\_ day of September, 2011.

(SEAL)

\_\_\_\_\_  
IRVING L. FAUGHT, ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
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**IT IS FURTHER ORDERED** that Respondent Hinkle and Chittenden are censured in connection with their activities alleged in the Recommendation.

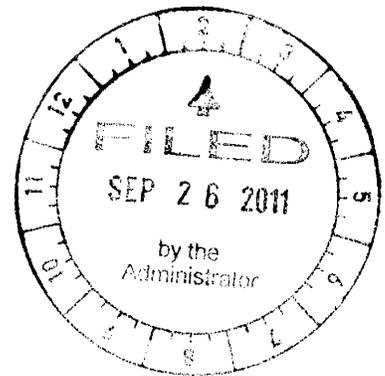
**IT IS FURTHER ORDERED** that the Effective Date of this Order shall be October 15, 2011.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 26th day of September, 2011.

(SEAL)

  
IRVING L. FAUGHT, ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
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The undersigned Parties hereto agree as follows:

1. **Jurisdiction.** The Administrator has jurisdiction over Respondents and the subject matter of this action.

2. **Order.** The Administrator shall issue an order relating to Respondents in the form attached hereto as "Attachment A" (Order). The Effective Date of the Order shall be October 15, 2011 (the "Effective Date").

3. **First Interstate.** As of the Effective Date of the Order, First Interstate's registration under the Act as an investment adviser shall be suspended through the end of the calendar year 2011. First Interstate agrees that its registration shall lapse at the end of that period and that it will not be eligible to reapply for registration. First Interstate, Hinkle, and Chittenden agree that between the date of the Agreement and the Effective Date of the Order, they will not begin any new business, but will only resolve old business and otherwise conclude the business of First Interstate. In the event any invoices issued by First Interstate for services rendered prior to the Effective Date of the Order remain unpaid and outstanding as of the Effective Date of the Order, First Interstate shall be entitled to receive and retain any payments received after the Effective Date of the Order; however, First Interstate, Hinkle and Chittenden are prohibited from rendering any investment adviser services and issuing any new invoices after the Effective Date of the Order and during the terms of suspensions as set forth in Sections 3 and 4 herein.

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5. **Cooperation.** Respondents shall cooperate fully and timely with any and all efforts by the Department to monitor and verify compliance with this Agreement and the Order.

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11. **Entire Agreement.** This writing constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations and understandings of the Parties. No supplement, modification or amendment to this Agreement shall be binding unless executed in writing by each of the Parties hereto.

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14. **Effective Date.** This Agreement shall be effective as of the date on which it is signed by the Administrator as set forth below his signature hereto.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year set forth below their signatures hereto.

**FIRST INTERSTATE FINANCIAL SERVICES, INC.**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**DAVID A. HINKLE**

\_\_\_\_\_

Date: \_\_\_\_\_

**ERROL DEAN CHITTENDEN**

*Errol Dean Chittenden*

Date: 9/21/2011

**IRVING L. FAUGHT, ADMINSTRATOR  
OKLAHOMA DEPARTMENT OF SECURITIES**

\_\_\_\_\_

Date: \_\_\_\_\_

**FIRST INTERSTATE FINANCIAL SERVICES, INC.**

By: David A. Hinkle

Print Name: David A. Hinkle

Title: PRESIDENT CEO

Date: 9-21-2011

**DAVID A. HINKLE**

David A. Hinkle

Date: 9-21-2011

**ERROL DEAN CHITTENDEN**

\_\_\_\_\_  
Date: \_\_\_\_\_

**IRVING L. FAUGHT, ADMINSTRATOR  
OKLAHOMA DEPARTMENT OF SECURITIES**

Irving L. Faught

Date: 9/26/11