

STATE OF MAINE  
OFFICE OF SECURITIES  
121 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0121

IN RE: )

Jesup & Lamont Securities Corp. )  
CRD #39056 )

CONSENT ORDER  
No. 06-005-COR

1. Jesup & Lamont Securities Corp. (the "Respondent") is a securities broker-dealer with a principal place of business at 650 Fifth Avenue, New York, New York 10019.
2. The Respondent submitted a licensing application with the Maine Office of Securities (the "Office") on July 12, 1997, and withdrew its application on December 15, 1997. The Respondent resubmitted its licensing application on June 20, 2001.
3. On March 4, 2005, the Respondent entered into a Consent Agreement with the Office for effecting at least 64 transactions in Maine while the Respondent was not licensed. In lieu of the Office seeking the imposition of a penalty for the Respondent's unlicensed activity, the Respondent agreed to pay the sum of \$3,270 to the Office.
4. Due to concerns the Office had with other aspects of the Respondent's licensing application, the Respondent agreed to enter into a conditional licensing agreement with the Office dated May 11, 2005. The Respondent was subsequently granted a conditional-restricted license by the Office on May 24, 2005.
5. As a condition of licensure, the Respondent agreed to limit the numbers of sales representatives licensed in Maine to no more than three during the period beginning on the effective date of the license and ending one year from that date.
6. On May 25, 2005, the Office became aware that the Respondent had ten sales representatives with active licenses in the State of Maine.
7. It is the position of the Office that the Respondent violated its conditional licensing agreement.

8. The Respondent has represented that the licensing of representatives in excess of the conditional licensing agreement was inadvertent and the result of an operational error.

## **ORDER**

NOW, THEREFORE, it is ORDERED that:

1. The Respondent shall comply with all licensing and other legal requirements governing persons acting as securities broker-dealers in the State of Maine at all times from the date hereof;
2. The Respondent shall pay a civil penalty in the amount of \$1,500 to the Office for violating its May 11, 2005, conditional licensing agreement with the Office.
3. The Respondent agrees to comply with the revised conditional licensing restrictions as set forth below.
  - (a) For a period beginning on the effective date of the license and ending four years from that date, the Respondent shall notify the Office whenever one of its sales representatives effects a transaction for a Maine consumer in a security in which the firm issues research to the public. Notification of the transaction shall be made to the Office in writing no more than 10 business days after the trade date.
  - (b) For a period beginning on the effective date of the license and ending four years from that date, the Respondent shall promptly notify the Office of any new regulatory actions, investigations, and consumer complaints filed with the firm. The Office shall be notified in writing no more than 10 business days after the firm receives notification.
  - (c) During the period beginning on the effective date of the license and ending two years from that date, the Respondent shall not have more than three sales representatives licensed in Maine, and during the period beginning the second anniversary of the effective date of the license and ending two years from that date, the Respondent shall not have more than five sales representatives licensed in Maine. Sales representatives who join the Respondent after the effective date of the license and who were licensed in Maine as sales representatives of other broker-dealers immediately before becoming sales representatives of the Respondent shall not be counted toward the limits set forth in this paragraph. Nothing in this paragraph shall be construed as preventing the Administrator from denying the license application of any of the Respondent's sales representative or limiting the activities of any of the Respondent's sales representative based upon grounds set forth in 32 M.R.S.A. §13013 or 32 M.R.S.A. §16412 (effective 12/31/05); and

- (d) A violation of any of the aforesaid conditions shall constitute grounds for the Office to revoke or suspend the Respondent's broker-dealer license and to take any other available action.

The Respondent hereby waives its right to a hearing and to judicial review and consents to the entry of the order set forth above.

Date: September 17, 2005

Jesup & Lamont Securities Corp.

By:

s/William F. Moreno, President  
William F. Moreno, President

Ordered by:

Date: September 20, 2005

s/Michael J. Colleran  
Michael J. Colleran  
Securities Administrator

Reviewed by:

Date: September 20, 2005

s/Bonnie E. Russell  
Bonnie E. Russell  
Assistant Securities Administrator

Presented by:

Date: September 19, 2005

s/Cathy J. Williams  
Cathy J. Williams  
Licensing Coordinator