

STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:	)	
	)	
JESUP & LAMONT SECURITIES CORP.	)	ADMINISTRATIVE ORDER
	)	NO. SC-2010-0037
<u>RESPONDENT</u>	)	

**ORDER TO SHOW CAUSE**

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, has determined as follows:

**RESPONDENT**

1. JESUP & LAMONT SECURITIES CORP. ("JESUP"), Central Registration Depository ("CRD") #39056, at all times relevant, has been a registered securities dealer in the State of Alabama pursuant to Code of Alabama, 1975, Section 8-6-3, with a business address of 623 Fifth Avenue, 17<sup>th</sup> Floor, New York, New York 10022.

**STATEMENT OF FACTS**

2. On August 4, 2004, JESUP was registered as a broker-dealer in the State of Alabama

3. On June 22, 2010, the Commission staff received information reflecting

that JESUP was not in compliance with net-capital requirements as mandated by the United States Securities and Exchange Commission. Pursuant to staff review of JESUP's Central Registration Depository ("CRD") record, it reflects that on April 13, 2010, the Financial Industry Regulatory Association ("FINRA") initiated proceedings against JESUP for failure to timely respond to FINRA's requests for documents and information. Additionally, on June 30, 2010, the Wall Street Journal reported that JESUP announced "that it would fire all nonessential personnel and stop paying nearly all salaries...after the small investment bank and brokerage firm received a notice to stop making trades." The article reflects that FINRA "ordered the broker-dealer to stop trading, except for liquidations, because of its securities subsidiary's capital deficiency."

#### CONCLUSIONS OF LAW

4. The Commission may, pursuant to Code of Alabama 1975, Section 8-6-3(k) suspend or revoke the registration of any dealer if it finds that the Order is in the public interest and that the dealer has ceased to do business as a dealer. Information received by the Commission reflects that JESUP has terminated personnel as a result of being ordered by FINRA to stop effecting securities transactions.

5. The Commission may, pursuant to Code of Alabama 1975, Section 8-6-3(j)(6) suspend or revoke the registration of any dealer if it finds that the Order is in the public interest and that the dealer is the subject of an order or determination entered within the last 10 years by a securities agency or association registered under the Securities Exchange Act of 1934. Information reflects that JESUP is the subject of a determination by FINRA to stop effecting securities transactions.

This Order is appropriate in the public interest for the protection of investors and consistent with the purposes of the Alabama Securities Act.

Further, this Order does not prevent the Commission from seeking such other

civil or criminal remedies that are available to it under the Alabama Securities Act.

**ACCORDINGLY, IT IS HEREBY ORDERED** that JESUP & LAMONT SECURITIES CORP. SHOW CAUSE, within 28 days of the date of this Order, why the broker dealer registration of JESUP & LAMONT SECURITIES CORP. and the broker dealer agent registrations of its representatives should not be suspended or revoked in the State of Alabama.

Entered at Montgomery, Alabama this the 9<sup>th</sup> day of July, 2010.



ALABAMA SECURITIES COMMISSION  
770 Washington Street, Suite 570  
Montgomery, Alabama 36130-4700  
(334) 242-2984

BY:

A handwritten signature in black ink, appearing to read "Joseph P. Borg", is written over a horizontal line. The signature is stylized and somewhat cursive.

JOSEPH P. BORG  
Director