

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)	
)	
HARRY JELKS VANCE, JR)	ADMINISTRATIVE ORDER
)	NO. CO- 2003-0020
<u>RESPONDENTS</u>)	

CONSENT ORDER

The Alabama Securities Commission ("Commission"), having the power 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, and having confirmed information of the offers for sale and/or sale of securities into, within or from the state of Alabama, has determined as follows:

RESPONDENT

1. HARRY JELKS VANCE, JR ("VANCE"), during the period of January 4, 1999 to August 24, 2001, was a registered securities agent of RAYMOND JAMES, with a business address of 1902 Rainbow Drive PO Box 8606, Gadsden, Al 35901. Since June 29, 2004, Vance has been a registered agent of Harbor Financial Services, LLC, 165 West I-65 Service Road North, Mobile, Alabama 36608.

STATEMENT OF FACTS

2. On August 28, 2003, the Commission issued an Order to Show Cause why registration as a broker / dealer agent should not be suspended or revoked (the "Show Cause Order"). The Show Cause Order was based upon findings that VANCE had violated the provisions of Section 8-6-3(j)(7), Code of Alabama 1975, by engaging in dishonest or unethical

practices in the securities business, to wit: executing transactions, which his associated broker-dealer RAYMOND JAMES, represented were unauthorized.

3. In addition, VANCE engaged in dishonest or unethical practices in the securities business by "selling away" clients, which is the practice whereby a representative sells securities not approved by his Broker Dealer. VANCE sold unregistered interests in the Gadsden LP Private Placement investment.

4. Pursuant to the provisions of Section 8-6-3(j)(6), Code of Alabama 1975, the Commission may suspend, revoke, censor or bar any registrant from employment with a securities dealer if the Commission finds that the Order is in the public interest, and that the registrant has violated or failed to comply with any provision of the Alabama Securities Act, or any rule or order issued by the Commission, or has failed to reasonably supervise registrants.

5. VANCE and his broker/dealer Raymond James have responded to the Show Cause Order. In their response, VANCE and Raymond James have ~~satisfactorily~~ explained the circumstances related to VANCE'S involvement in this matter. VANCE asserts that he was aware of the unauthorized use of the Raymond James office conference room for sales meetings by a party unaffiliated with Raymond James. However, no evidence has been located that VANCE received any compensation as a result of the investments made by attendees of the sales presentation, and VANCE claims he did not receive any such compensation.

6. Furthermore, VANCE admits the meeting was attended by several of his Raymond James clients at his invitation. The invitation and execution of the meetings were unknown to and not approved by Raymond James. VANCE indicates that he now understands such activity is prohibited under the provisions of Section 8-6-3(j)(6).

7. VANCE no longer is affiliated with Raymond James. Both Vance and his current employer, Harbor Financial Services, LLC, have assured the Commission that no further actions of this nature will occur in the future.

CONCLUSIONS OF LAW

8. The Commission finds there was no intent on the part of VANCE to engage in dishonest or unethical practices in the securities business

9. In addition, the actions that are the subject of the Show Cause Order, although reportable, do not demonstrate that VANCE actually engaged in any fraudulent activity. VANCE'S actions during the arbitration process demonstrated that he accepted responsibility for his part in this matter. All known complaints have now been resolved by settlement and dismissed.

WHEREAS, VANCE admits that a sale of Gadsden LLP securities was effected in the state of Alabama, and states that the information and assertions presented to the Commission during its investigation of this matter are true and correct. VANCE further understands that the Commission relied upon such information and assertions in its determination to accept this Order, and that should this information or these assertions prove to be incorrect or misrepresented, the Commission may seek such other administrative, civil, or criminal remedies that may be available to it under the provisions of the Act.

WHEREAS, VANCE has voluntarily agreed to waive all rights to a hearing upon entry of this Order and has consented to the entry of this Order, and

WHEREAS, the Commission finds this Order necessary and appropriate in the public interest for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act, and

WHEREAS, the Commission and VANCE are desirous of settling this matter as hereafter set forth and agree to the entry of this Order,

ACCORDINGLY, IT IS HEREBY ORDERED as follows:

1. For a period of twenty-four (24) months from October 6, 2003, the date of the informal hearing, VANCE will be subject to the following requirements by the Commission:

A. VANCE shall receive strict supervision as an agent by an NASD registered principal of Harbor Financial Services, LLC, located in Birmingham, Alabama.

B. VANCE shall not act in a supervisory principal or managerial capacity with respect to any account of an Alabama resident.

C. VANCE shall not exercise any discretionary authority over Alabama customer accounts.

D. VANCE will not engage in any activity prohibited by the Alabama Securities Act and its rules.

E. Any future sanctions of VANCE imposed by another jurisdiction, any self regulatory organization, any exchange, the Securities and Exchange Commission or National Association of Securities Dealers will result in this entire matter being reviewed by the Commission staff, including, but not limited to, those matters referenced in the Show Cause Order.

F. Any customer complaint involving VANCE that is received by the Commission staff from an Alabama resident will result in this entire matter being reviewed by the Commission staff, including, but not limited to, those matters referenced in the Show Cause Order.

G. VANCE shall immediately notify the Commission staff of any civil or criminal action, arbitration or investigation instituted against him.

H. VANCE and Harbor Financial Services, LLC shall notify the Commission staff, within 30 days of receipt, of any oral or written customer complaint concerning VANCE received by the Pan-American Financial Advisers.

I. As long as the conditions enumerated in this agreement are in effect, Harbor Financial Services, LLC will not transfer the registration of VANCE to another broker-dealer pursuant to a mass transfer without prior approval of the Alabama Securities Commission.

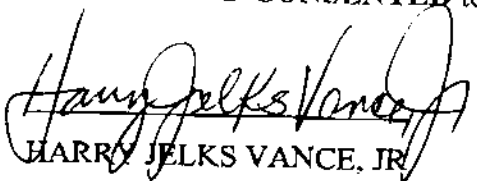
J. Harbor Financial Services, LLC will promptly notify the Securities Commission of any termination of agent registration or employment of VANCE.

2. That in accordance with Section 8-6-19(j)(1), Code of Alabama 1975, VANCE shall pay to the **state of Alabama** an administrative assessment in the sum of One Thousand Dollars (\$1,000), said funds to be tendered in certified funds contemporaneously with the entry of this Order.

3. That in accordance with Section 8-6-19(k)(1), Code of Alabama 1975, VANCE shall pay to the **Alabama Securities Commission**, as partial reimbursement for the Commission's cost for investigating this matter, the sum of Five Hundred Dollars (\$500), said funds to be tendered in certified funds contemporaneously with the entry of this Order.

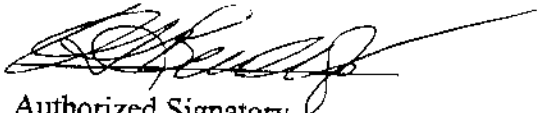
4. That the entry of this Order resolves the Cease and Desist Order, Administrative Order No. SC-2003-091, issued September 22, 2000, as it applies to VANCE only.

AGREED AND CONSENTED to on dates indicated:


HARRY JELKS VANCE, JR.

7-29-04
Date

Harbor Financial Services, LLC



Authorized Signatory

7-28-2004
Date

Based upon good cause shown and the conditions previously enumerated in this Order, Order to Show Cause Why Registration as a Broker/Dealer Agent Should Not Be Suspended or Revoked, Administrative Order SC-2003-0020, dated August 28, 2003 is hereby resolved.

Entered at Montgomery, Alabama this the 2nd day of August 2004.

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

BY: 
SUSAN ANDERSON
Deputy Director