

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

TRUBEE, COLLINS & COMPANY, INC.)	
ANTHONY FRANDINA)	ADMINISTRATIVE ORDER
)	NO. CO-2009- 0030
)	
)	
<u>RESPONDENTS</u>)	

CONSENT ORDER

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 having confirmed information of the offer for sale and/or sale of securities, into, within or from the State of Alabama, by RESPONDENTS, without benefit of registration in the State of Alabama, has determined as follows:

RESPONDENTS

1. TRUBEE, COLLINS & COMPANY, INC. ("TRUBEE"), Central Registration Depository (CRD) #3618, is a New York domiciled broker dealer with a business address of 1350 One M&T Plaza, Buffalo, New York 14203-2396. National CRD records as maintained by the Commission reflect that TRUBEE has never been registered in the state of Alabama as a broker-dealer.

2. ANTHONY FRANDINA, ("FRANDINA"), Central Registration Depository (CRD) #212689, is represented to be the Vice-President/Principal of TRUBEE with a business address of 1350 One M&T Plaza, Buffalo, New York 14203-2396. National CRD records as maintained by the Commission reflect that FRANDINA has never been registered in the state of Alabama as a broker-dealer agent with TRUBEE.

STATEMENT OF FACTS

3. On May 6, 2009, in furtherance of an application received on May 11, 2009 through the national CRD System, the Commission staff received documentation from TRUBEE stating that TRUBEE will not have custody of Alabama customer funds or discretionary accounts and that TRUBEE will utilize First Clearing LLC as its clearing firm. TRUBEE stated that, during the course of an internal review, TRUBEE discovered two (2) clients that are residents of the state of Alabama. TRUBEE provided documentation which reflected that FRANDINA effected twenty-nine (29) securities transactions for Alabama residents generating commissions of \$1,884.23 from April 29, 2002 to June 1, 2009. (Three additional transactions were effected before one of the residents moved to Alabama and are excluded from the totals compiled and discussed herein.)

4. On May 11, 2009, TRUBEE filed an electronic application through CRD for registration as a broker dealer in the State of Alabama.

5. On June 4, 2009, the Commission staff issued a deficiency letter to TRUBEE requesting that TRUBEE provide all formal documentation relating to the disciplinary history of the firm and certain individuals who are named as officers of TRUBEE as reflected on CRD records as maintained by the Commission. TRUBEE was also asked to provide copies of the Alabama residents' account documents to show the dates the accounts were opened and the place of client residency at the time, any change of address notices, and a detailed list of all transactions effected for the Alabama clients along with the trade confirmations therefore.

6. On June 4, 2009, a visitation letter was mailed to TRUBEE's clearing firm, First Clearing, LLC via certified mail.

7. On June 12, 2009, the Commission staff received a response from TRUBEE.

Mr. William Pictor, who is President, Chief Executive Office, and Chief Compliance Officer of TRUBEE, submitted information regarding the disclosures listed on Web CRD. Mr. Pictor also submitted new account forms, a change of address report, a spreadsheet of detailed trade transactions, and confirmations of transactions in the accounts of the two (2) clients who reside in the state of Alabama.

8. On June 29, 2009, the Commission staff received a response from First Clearing, LLC stating that a search of their records concerning TRUBEE found no accounts and no trades with Alabama addresses.

9. On July 15, 2009, the Commission staff requested additional information from TRUBEE via email asking whether the Alabama clients resided in another state when the transactions were effected and if the investors moved to Alabama from another state.

10. On July 15, 2009, TRUBEE submitted a response through Jessica McPherson, a compliance assistant, via email stating that one client resided in Alabama when the client's account was opened on April 11, 2002. The second Alabama client did not reside in Alabama when the account was opened on February 14, 2003 but filed an address change to Alabama on January 2, 2004. Transactions effected after the address change on January 2, 2004 were effected while the client was a resident of Alabama.

11. On August 12, 2009, the Commission staff called Ms. McPherson requesting additional information. Ms. McPherson stated that TRUBEE had provided all documents in its possession. Ms. McPherson stated that she would contact First Clearing LLC to inquire as to the reason the clearing records did not reflect TRUBEE's Alabama activity.

12. On August 17, 2009, the Commission staff received an email response with an attachment from Ms. McPherson. Ms. McPherson stated that the attachment was a

scanned copy of First Clearing LLC's letter of explanation and that Ms. McPherson would overnight the original document.

13. On August 18, 2009, the Commission staff received First Clearing LLC's letter of explanation correcting its original response dated June 26, 2009. First Clearing LLC submitted trade confirmations reflecting that TRUBEE, through FRANDINA, effected twenty-nine (29) securities transactions for two (2) clients who resided in the State of Alabama from April 29, 2002 to June 1, 2009. (First Clearing LLC's response also verified that three (3) additional transactions had occurred in one of the Alabama resident's accounts before the client moved to Alabama. See paragraph 3. above.) The twenty-nine (29) transactions effected for Alabama residents generated commissions totaling \$1,884.23.

14. On October 9, 2009, TRUBEE made offers of rescission to the two Alabama investors for the time period December 11, 2007-June 1, 2009.

15. On October 14, 2009, the Commission received evidence from TRUBEE that the two Alabama residents had rejected all offers of rescission for the time period December 11, 2007-June 1, 2009 which included commissions of \$499.72.

CONCLUSIONS OF LAW

16. Pursuant to Code of Alabama 1975, § 8-6-3(a), it is unlawful for any person to transact securities business in the State of Alabama as a dealer or agent for securities unless properly registered under this Article. TRUBEE, COLLINS & COMPANY, Inc., through ANTHONY FRANDINA, effected twenty-nine (29) securities transactions, from April 29, 2002-June 1, 2009, generating total commissions of \$1,884.23 for two Alabama residents without benefit of broker-dealer registration in the State of Alabama in violation of Code of Alabama 1975, § 8-6-3(a).

17. Pursuant to Code of Alabama 1975, § 8-6-3(a), it is unlawful for any person

to transact securities business in the State of Alabama as a dealer or agent for securities unless properly registered under this Article. ANTHONY FRANDINA, as an agent for TRUBEE, COLLINS & COMPANY, Inc. effected twenty-nine (29) securities transactions, from April 29, 2002-June 1, 2009, generating total commissions of \$1,884.23 for two Alabama residents without benefit of broker-dealer agent registration in the State of Alabama in violation of Code of Alabama 1975, § 8-6-3(a).

18. Pursuant to Code of Alabama 1975, § 8-6-3(a), it is unlawful for any dealer or issuer to employ an agent unless the agent is properly registered under this Article. TRUBEE, COLLINS & COMPANY, Inc. employed ANTHONY FRANDINA as an agent although FRANDINA was not properly registered in the State of Alabama, all in violation of Code of Alabama 1975, § 8-6-3(a).

WHEREAS, RESPONDENTS admit that securities transactions were effected in the State of Alabama prior to registration, and state that the information and assertions presented to the Commission during its investigation of this matter are true and correct; that RESPONDENT understands the Commission relied upon such information or assertions in its determination to accept this Agreement, and that should information or 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, RESPONDENTS have voluntarily waived all rights to a hearing upon entry of this Order, and have consented to the entry of this Agreement, and

WHEREAS, the Commission finds this Agreement 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 RESPONDENTS are desirous of settling this matter as hereafter set forth and agree to the entry of this Agreement.

ACCORDINGLY, IT IS HEREBY AGREED:

1. That RESPONDENTS shall, until such time as properly registered in the State of Alabama, refrain from effecting securities transactions into, within or from the State of Alabama.
2. That RESPONDENTS shall ensure that proper procedures are enacted to preclude any future non-compliance with the Act.
3. That RESPONDENTS shall provide training to all employees to ensure that all trades are made by registered persons in compliance with state laws.
4. That RESPONDENTS shall provide proper supervision to all employees to ensure that all trades are made by registered persons in compliance with state laws.
5. That, pursuant to Code of Alabama 1975, Section 8-6-19(j)(1), TRUBEE shall pay to the State of Alabama One Thousand Eight Hundred Eighty-Four Dollars and Twenty-Three cents (\$1,884.23) in disgorgement of total commissions: commissions of \$499.72 paid on the transactions offered in the rescission and rejected by the Alabama investors (for the time period December 11, 2007-June 1, 2009) and commissions of \$1,384.51 paid on those transactions which were not a part of the rescission offer (for the time period April 29, 2002-May 3, 2007).
6. That, pursuant to Code of Alabama 1975, Section 8-6-19(j)(1), TRUBEE shall pay to the State of Alabama an administrative assessment of Seven Hundred Fifty Dollars (\$750.00).
7. That, pursuant to Code of Alabama 1975, Section 8-6-19(k)(1), TRUBEE shall pay to the State of Alabama Seven Hundred Fifty Dollars (\$750.00) for the costs of this investigation.

8. That a total amount of Three Thousand Three Hundred Eighty-Four Dollars and Twenty-Three cents (\$3,384.23) shall be paid to the state of Alabama by TRUBEE in resolution of this matter, tendered in certified funds contemporaneously with the entry of this Order.

9. That the entry of this Agreement resolves the issues set forth in this Agreement.

AGREED AND CONSENTED to on date indicated:

RESPONDENTS:

TRUBEE, COLLINS & COMPANY, INC.:

William Pictor President
(Authorized signature and title)

William Pictor
(Print)

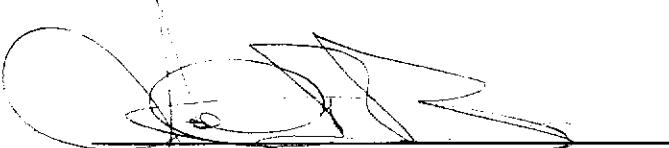
ANTHONY FRANDINA:
Vice President

Anthony P. Frandina
(Signature)

APPROVED AND AGREED this 10th day of October, 2009

ALABAMA SECURITIES COMMISSION
401 Adams Avenue, Suite 280
Montgomery, AL 36104
(334) 242-2984

BY:


JOSEPH P. BORG
Director