STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Carret Securities, LLC,	,	CONSENT ORDER	
Respondent)		

The North Dakota Securities Commissioner has advised the respondent, Carret Securities, LLC, (Carret) that the Commissioner is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has determined as follows:

- 1. Respondent is a dealer (CRD number 23723) that is registered with the NASD and several states and headquartered in New York.
- 2. As part of its application to be registered as a dealer in North Dakota, on January 29, 2002, Carret submitted its Affidavit of Broker/Dealer Activity in North Dakota, which stated, in relevant part, that it has not offered for sale or sold any securities in North Dakota.
- 3. On February 22, 2002, in reliance on that affidavit, the dealer application of the respondent was approved, and Carret became a registered dealer in North Dakota.
- 4. Shortly after the approval of the registration of the respondents, the Commissioner received notification that Carret had one North Dakota client. Further investigation and inquiry revealed that, from January of 2000 to the date of its registration, Carret, by and through its agent, Richard S. Bartholow, Jr., conducted more than 100 transactions in the account of that North Dakota client.
- 5. Pursuant to section 10-04-10 N.D.C.C., no dealer may offer for sale or sell any securities within or from this state unless registered as a dealer, and no agent may offer for sale or sell any securities within or from this state, unless registered as an agent in North Dakota, unless the securities are sold through exempt transactions under section 10-04-06 N.D.C.C.
- 6. Pursuant to section 10-04-15(1) N.D.C.C., no person may provide false or misleading information to the Commissioner in the process of filing an application for registration.
- 7. Pursuant to section 10-04-16 N.D.C.C., when it shall appear to the Commissioner that any person has engaged in, or is engaging in, or is about to engage in any act or practice which is declared illegal in this chapter, the Commissioner may issue any order and collect civil penalties against any person

found in an administrative action to have violated any provision of the chapter in an amount not to exceed \$10,000 for each violation.

- 8. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against respondents pursuant to section 10-04-16 N.D.C.C.
- 9. Respondents acknowledge their right to a hearing on this matter and they waive this right to a hearing and to present arguments to the Commissioner.
- 10. Respondents agree to resolve this matter with the Securities Commissioner by this Consent Order.
- 11. The following Order is necessary and appropriate in the public interest.

NOW, THEREFORE, IT IS ORDERED, THAT:

- 1. Respondents shall pay a civil penalty of \$29,000 to the Office of the Securities Commissioner pursuant to NDCC §10-04-16.
- This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this _____day of

Karen J. Tyler, Securities Commissioner

Office of the Securities Commissioner

State Capitol-5th Floor 600 East Boulevard Ave.

Bismarck, ND 58505-0510

(701) 328-2910

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH	SECURITIES COMMISSIONER
In the Matter of Carret Securities, LLC,) CONSENT TO ENTRY) OF ORDER
Respondent)
know and fully understand its contents executing this Consent to Entry of Order am duly authorized to execute this document acknowledge that Carret Security	ead the foregoing Consent Order and that I is and effects. I further states that I amer on behalf of Carret Securities, LLC and I iment on behalf of Carret Securities, LLC. I ties, LLC has waived its right to a hearing consents to entry of the foregoing Consent
It is further expressly understood that settlement agreement between the parti- agreements, either expressed or implied	the Consent Order constitutes the entire es hereto, there being no other promises or .
Dated this <u> </u>	, 2002.
	Carret Securities, LLC 40 East 52 nd Street, 19 th Floor New York, NY 10022
	By: Rut I Den
	Print Name: Robert F Searing
Subscribed and Sworn before me	e this 25 day of July, 2002.
(Notary Seal)	Notary Public State: NEW ONL County: NEW ORL My Commission Expires: June 13,2006

IRENE TARNOWSKI
Notary Public, State of New York
No. 01TA5029025 Qualifed in Nassau County
Certificate Filed In New York County
Commission Expires The 13. Acch