

In the Matter of GunnAllen
Financial, Inc.

Respondent

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CONSENT ORDER

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

1. GunnAllen, is a securities dealer headquartered in Florida and registered with the National Association of Securities Dealers and several states. GunnAllen is not now and has never been registered as a dealer in North Dakota.
2. On or around August 21, 2001, the Commissioner received a dealer application from GunnAllen, and the Commissioner began processing the application.
3. Along with that application, GunnAllen submitted an affidavit of dealer activity, which indicated that GunnAllen had not conducted securities transactions on behalf of a North Dakota resident. That affidavit did not disclose a transaction made on behalf of one North Dakota resident in December of 2000.
4. The transaction described above, was made at the direction of a relative of the client, and not at the direction of the client. The client had not signed any document authorizing any person to direct transactions in her account, nor had the client authorized the agent to engage in discretionary trading activities.

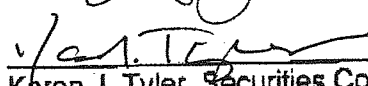
5. Pursuant to section 10-04-10 N.D.C.C., no dealer may offer for sale or sell any securities within or from this state unless registered as a dealer, unless the securities are sold through exempt transactions under section 10-04-06 N.D.C.C.
6. Pursuant to section 10-04-15 (1) N.D.C.C., no person may make or cause to be made any material false statement or representation in any application.
7. Pursuant to section 73-02-09-02 (4) N.D.A.C., it is a dishonest or unethical practice of a dealer to execute a transaction on behalf of a customer without authorization to do so.
8. 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, in his discretion, 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.
9. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against respondent pursuant to section 10-04-16 N.D.C.C.
10. Respondent acknowledges his right to a hearing on this matter and waives this right to a hearing and to present arguments to the Commissioner.
11. Respondent agrees to resolve this matter with the Securities Commissioner by this Consent Order, and this is evidenced by the signature below.
12. The following Order is necessary and appropriate in the public interest.

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondent shall not transact any securities business with any person in North Dakota unless respondents are registered as required by section 10-04-10 N.D.C.C. Respondent shall not transact any securities business with any person in North Dakota unless the applicable agent of the respondent is registered as required by section 10-04-10 N.D.C.C.
2. Respondent shall pay a civil penalty of \$3,000 to the Office of the Securities Commissioner pursuant to section 10-04-16 N.D.C.C.
3. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this ~~26~~^{28th} day of December, 2001.

3rd day of January, 2002


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



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Financial, Inc.)
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Respondent)

**CONSENT TO ENTRY
OF ORDER**

I, the undersigned, state that I have read the foregoing Consent Order and that I know and fully understand its contents and effects. I further state that I am authorized to enter into this Consent Order on behalf of the respondent. I acknowledge that the respondent has waived its right to a hearing with respect to this matter, and it acknowledges the accuracy of the Commissioner's statements contained in the Consent Order. I further acknowledge that the respondent consents to entry of the Consent Order

It is further expressly understood that the Consent Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either expressed or implied.

Dated this 28th day of December, 2001.

GunnAllen Financial, Inc.
1715 N. Westshore Blvd., 7th Floor
Tampa, FL 33607

By: _____

BRADLEY A. FAY
(print name)

Subscribed and Sworn before me this 28th day of December, 2001.

Angela C. Gard
Notary Public

State: _____

County: _____

My Commission Expires: _____

(Notary Seal)



Angela C Gard
My Commission DD081082
Expires August 19, 2005