

1 DEPARTMENT OF INSURANCE AND FINANCE  
2 DIVISION OF FINANCE AND CORPORATE SECURITIES  
3 SECURITIES SECTION  
4 BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE AND FINANCE  
5 STATE OF OREGON

6 In the Matter of: ) O-92-0008  
7 H.G. WELLINGTON & CO., INC. )  
8 Respondents. ) CEASE AND DESIST ORDER  
9 ) CIVIL PENALTY  
10 ) CONSENT OF H.G. WELLINGTON & CO., INC  
11 )

12 WHEREAS the Director of the Department of Insurance & Finance has conducted  
13 an investigation of H.G. WELLINGTON & CO., INC. and determined that H.G.  
14 WELLINGTON & CO., INC. transacted broker-dealer business in the state of Oregon  
15 in violation of the Oregon Securities Law; and

16 WHEREAS H.G. WELLINGTON & CO., INC. wishes to resolve and settle this  
17 matter by acknowledging the violations set forth in this document, and accepting  
18 the sanctions imposed herein;

19 THEREFORE, as evidenced by the authorized signature subscribed on this  
20 Order, H.G. WELLINGTON & CO., INC. hereby CONSENTS to the entry of this Order to  
21 Cease and Desist based upon the Director's Finding of Fact and Conclusions of  
22 Law as stated:

23 FINDINGS OF FACT

24 The Director FINDS that:

- 25 1. H.G. WELLINGTON & CO., INC. (Wellington) is a Delaware Corporation  
26 located at 14 Wall Street, Suite 1702, New York, NY 10005.
- 27 2. WELLINGTON has never been licensed as a broker-dealer in Oregon.
- 28 3. WELLINGTON filed an application to be licensed as a broker-dealer in  
29 Oregon in October 1991.
- 30 4. WELLINGTON effected seventeen transactions through three client

ORDER TO CEASE AND DESIST, CIVIL PENALTY AND CONSENT OF  
H.G. WELLINGTON & CO., INC. 2824-ENF

PAGE 1

02269202601 822.992

1,000.00

1 accounts, in Oregon, during the period of February 1987 to August 1991.

2 5. WELLINGTON has been cooperative with this investigation.

3 **CONCLUSIONS OF LAW**

4 The Director **CONCLUDES** that:

5 WELLINGTON, by transacting securities business in Oregon, acted as a  
6 broker-dealer without a license, in violation of ORS 59.165(1)

7 **ORDER**

8 The Director, pursuant to ORS 59.245 hereby **ORDERS** that respondent WELLINGTON  
9 shall **CEASE and DESIST** from:

10 1. Transacting securities business in the State of Oregon in violation of  
11 ORS 59.165(1).

12 2. Violating any of the provisions of Chapter 59.

13 Director, pursuant to ORS 59.995, hereby **ORDERS** respondent to pay **CIVIL**  
14 **PENALTIES** as follows:

15 H.G. WELLINGTON & CO., INC. IS ORDERED TO PAY the sum of \$1000 for  
16 violations of ORS 59.165 relating to transactions of securities business as  
17 stated herein.

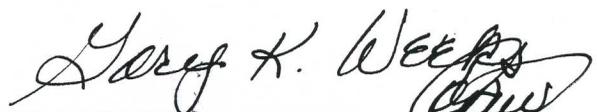
18 DATED this 28<sup>th</sup> day of February 1992 at Salem, Oregon.

19

20

21

22



GARY K. WEEKS, DIRECTOR  
DEPARTMENT OF INSURANCE & FINANCE

23

**CONSENT TO ENTRY OF ORDER  
ADMISSION OF FACTS**

24

25 I, Dan McMullen, state that I am the Present and Chief Executive Officer of  
26 Respondent H.G. WELLINGTON & CO., INC. and I am authorized to act on its behalf;

1 that I have read the foregoing Order and that I know and fully understand the  
2 contents thereof; that Respondent admits the factual allegations contained  
3 herein are true and correct; that Respondent has been advised of its right to a  
4 hearing, and that Respondent consents to the entry of this Order without further  
5 hearing; that Respondent consents to the entry of this Order voluntarily without  
6 any force or duress; that Respondent understands that the Director reserves the  
7 right to take further action to enforce this Order, or, upon discovery, to  
8 enforce other violations of the Oregon Securities Laws by Respondent; that  
9 Respondent will fully comply with the terms and conditions stated herein.

10 Respondent H.G. WELLINGTON & CO., INC. further assures the Director that  
11 they will not transact business in the State of Oregon unless such transactions  
12 are in full compliance with Chapter 59 of the Oregon Revised Statutes.

13 I understand that this Consent Order is a public document.

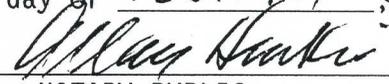
14 DATED this 11 day of FEBRUARY, 1992.

15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

  
Dan McMullen  
President and Chief Executive Officer  
H.G. WELLINGTON & CO., INC.

STATE OF NEW YORK  
COUNTY OF NEW YORK

SUBSCRIBED AND SWORN to before me this 11 day of FEBRUARY, 1992.

  
NOTARY PUBLIC

My commission expires 3/30/92

ALLAN HINKIS  
Notary Public, State of New York  
No. 31-6907335  
Qualified in New York County  
Term Expires March 30, 1992