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STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES

BEFORE THE DIRECTOR OF THE
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

In the Matter of:

S-07-0034

THE PRUDENTIAL INVESTMENT
PORTFOLIOS, INC., a Maryland
corporation,

ORDER TO CEASE AND DESIST,
ORDER ASSESSING SECURITIES
NOTICE FILING FEES AND
CONSENT TO ENTRY OF ORDER

Respondent.

WHEREAS the Director of the Department of Consumer and Business Services (hereinafter, "the Director") has conducted an investigation of certain business activities conducted by The Prudential Investment Portfolios, Inc. ("Prudential"), and has determined that Prudential offered and sold securities in the State of Oregon in violation of the Oregon Securities Law; and

WHEREAS Prudential wishes to resolve and settle this matter with the Director;

NOW THEREFORE, as evidenced by the authorized signatures subscribed on this Order, Prudential hereby CONSENTS to entry of this Order to Cease and Desist upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director FINDS that:

1. The Prudential Investment Portfolios, Inc. is a Maryland corporation with a principal place of business at Gateway Center 3, 100 Mulberry Street, Newark, New Jersey 07102. Prudential is an open-ended management investment company registered with the Securities and Exchange Commission.

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 paying the required notice fees in violation of ORS 59.049(1).

2 10. Because of its failure to timely file the required notice filing and fees, Prudential is
3 subject to paying treble notice filing fees pursuant to ORS 59.049(6).

4 **ORDER**

5 **NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:**

6 11. Pursuant to ORS 59.245, Prudential is **ORDERED TO CEASE AND DESIST**

7 from:

8 a. Selling federal covered securities in the State of Oregon in violation of
9 ORS 59.049 by failing to file the appropriate notice and pay the appropriate filing fee; and

10 b. Violating any provision of ORS Chapter 59 or Oregon Administrative
11 Rules Chapter 441.

12 12. Pursuant to ORS 59.049(6), the Director hereby **ORDERS** Prudential to make
13 retroactive Form NF notice filings with the Division for the period March 1, 2004 to September
14 30, 2006, and to pay to the Division the notice fee of five hundred dollars (\$500) per portfolio
15 per twelve month period, totaling four thousand five-hundred dollars (\$4,500). Prudential must
16 pay the fee in full and file the retroactive Form NF filings with the Division within thirty (30)
17 days of the Director's signing of this Order.

18 13. While Prudential may be subject to paying treble notice fees pursuant to ORS
19 59.049(6), the Director is not assessing treble notice fees because Prudential brought this matter
20 to the Director's attention and has cooperated with and assisted the Division in resolving the
21 matter.

22 14. The entry of this Order in no way limits further remedies which may be available to

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1 the Director under Oregon law.

2 Dated this 22nd day of October, 2007 at Salem, Oregon.

3 CORY STREISINGER, Director
4 Department of Consumer and Business Services

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6 David Tatman, Administrator
7 Division of Finance and Corporate Securities

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1 **CORPORATE CONSENT TO ENTRY OF ORDER**
2 **(for The Prudential Investment Portfolios, Inc.)**

3 I, Judy A. Rice, state that I am an officer of The Prudential Investment Portfolios, Inc.
4 ("Prudential"); that I am authorized to act on its behalf; that I have read the foregoing Order and
5 that I know and fully understand the contents hereof; that Prudential and I have been advised of
6 the right to a hearing; that Prudential has been represented by counsel in this matter; that
7 Prudential voluntarily and without any force or duress, consents to the entry of this Order,
8 without admitting or denying the factual allegations stated herein, expressly waiving any right to
9 a hearing in this matter; that Prudential understands that the Director reserves the right to take
10 further actions to enforce this Order or to take appropriate action upon discovery of other
11 violations of the Oregon securities laws; and that Prudential will fully comply with the terms and
12 conditions stated herein.

13 The Prudential Investment Portfolios, Inc. further assures the Director that neither
14 Prudential nor its officers, directors, employees or agents will effect securities transactions in
15 Oregon unless such activities are in full compliance with the terms of this Order and with
16 Chapter 59 of the Oregon Revised Statutes and Chapter 441 of the Oregon Administrative Rules.

17 Prudential understands that this Consent Order is a public document.

18 Dated this 9th day of October, 2007.

19 By: Judy Rice
20 Judy A. Rice

21 Office Held: President

22 **CORPORATE ACKNOWLEDGMENT**

23 There appeared before me this 9th day of October, 2007, Judy A.
24 Rice, who was first duly sworn on oath, and stated that she is an officer of The Prudential
25 Investment Portfolios, Inc. and that she is authorized and empowered to sign this Consent to
26 Entry of Order on behalf of The Prudential Investment Portfolios, Inc., and to bind The
Prudential Investment Portfolios, Inc. to the terms hereof.

FLOYD L. HOELSCHER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 10/23/2007

Floyd L. Hoelscher
Signature of Notary

My commission expires: 10/23/07

