

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF: DANNY R. TALBOTT

FILE NO. 0400779

CONSENT ORDER OF REVOCATION

TO THE RESPONDENT: Danny R. Talbott
(CRD#: 1336628)
1636 W. Marlene Street
Peoria, Illinois 61614

WHEREAS, Respondent on the 18th day of November 2005 executed a certain Stipulation to Enter Consent Order of Revocation (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State, Securities Department, dated July 29, 2005, in the proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Revocation ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the truth thereof, that the following allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1. That at all relevant times, the Respondent was registered with the Secretary of State as a salesperson and as an investment advisor representative in the State of Illinois pursuant to Section 8 of the Act until September 10, 2003.
2. That on September 15, 2004, NASD entered Order accepting Offer of Settlement submitted by the Respondent regarding Disciplinary Proceeding No. C8A040035 which imposed the following sanctions:
 - a. suspension for one year from any member of NASD in any capacity; and

Consent Order of Revocation

- 2 -

- b. fined \$5,000.
3. That the Order found at all times mentioned herein, LB, CB, JP and ERP were members of the public who maintained securities accounts which were serviced by the Respondent at the Member (Respondent's employing firm.) On or about December 31, 2002, Respondent purchased or caused the purchase of \$45,000 worth of mutual fund shares in each of the accounts of LB, CB, JP and ERP. Respondent purchased the shares of Federated American leaders Fund in each of the accounts without the knowledge or consent of LB, CB, JP, or ERP and in the absence of written or oral authorization to Respondent to exercise discretion in said accounts.

Based on the foregoing, Respondent violated NASD Conduct Rule 2110 and IM 2310-2.

4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be revoked if the Secretary of State finds that such salesperson has been suspended by any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory organization.
5. That NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
6. That Section 8.E(3) of the Act provides, inter alia, withdrawal of an application for registration or withdrawal from registration as a salesperson or investment adviser representative, becomes effective 30 days after receipt of an application to withdraw or within such shorter period of time as the Secretary of State may determine. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the Secretary of State may nevertheless institute a revocation or suspension proceeding within 2 years after withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

That by virtue of the foregoing, the Respondent's registration as a salesperson and as an investment advisor representative in the State of Illinois is subject to revocation pursuant to Sections 8.E(1)(g) and 8.E(3) of the Act.

Consent Order of Revocation

- 3 -


WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that his registration as a salesperson and as an investment advisor representative in the State of Illinois shall be revoked.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDER THAT:

1. Danny R. Talbott's registration as a salesperson and as an investment advisor representative in the State of Illinois shall be revoked.
2. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 21st day of November 2005.


JESSE WHITE
Secretary of State
State of Illinois