

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF. GUY B. DEEMER

) File No 1300396
)

CONSENT ORDER

TO THE RESPONDENT

Guy B Deemer (CRD# 2504584)
c/o Gerard Kowalski, Attorney at Law
Marshall Dennehey Warner Coleman & Goggin
2000 Market St , Suite 2300
Philadelphia, PA 19103

WHEREAS, Guy B Deemer on February 18, 2014 executed a certain Stipulation to Entry of Consent Order (the "Stipulation"), which hereby is incorporated by reference herein

WHEREAS, by means of the Stipulation, the Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing in this matter and the Respondent has consented to the entry of this Consent Order

WHEREAS, the Secretary of State, by and through his designated representative, the Securities Director, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceeding.

WHEREAS, the Respondent has acknowledged, while neither admitting nor denying the truth thereof, that the allegations contained in paragraph seven (7) of the Stipulation shall be adopted as the Secretary of State's Findings of Fact as follows.

- 1 At all times relevant hereto, Respondent was registered as a salesperson in the State of Illinois pursuant to Section 8 of the Act
- 2 FINRA (the Financial Industry Regulatory Authority) is a private, non-governmental organization that is registered with the United States Securities and Exchange Commission as a self-regulatory organization pursuant to the Securities Exchange Act of 1934.
- 3 At all times relevant hereto, Respondent was FINRA-registered and an employee of Stifel, Nicolaus & Co , Inc., a FINRA-registered firm

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- 4 On August 23, 2013, FINRA entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by Respondent regarding File No 2009020617701, which sanctioned Respondent as follows:
 - a fined \$10,000; and
 - b suspended from association with any FINRA member in any capacity for 20 business days.
- 5 The FINRA suspension was effective from October 7, 2013 through November 1, 2013.
- 6 By signing the AWC, Respondent accepted FINRA's findings of fact
 - a For 64 customer orders involving six thinly traded Bank Stocks, between July 2008 and October 2009, Respondent failed to tell his customers that he was on the opposite side of the transactions, selling or purchasing the same securities from his own accounts on the same day. In some instances, Respondent placed good-till-canceled orders to sell or purchase the Bank Stocks in his own accounts in the trading system as much as 6 months in advance, until the opposing customer trades were matched and the trades were executed
 - b Stifel, Nicolaus & Co, Inc paid Respondent's customers restitution in the aggregate amount of \$64,287 to cover fees, commissions, and price adjustments
- 7 Respondent also acknowledged the violation of NASD Rule 2110 and FINRA Rule 2010 requiring members, in the conduct of their business, to observe high standards of commercial honor and just and equitable principles of trade
- 8 Section 8.E(1)(j) of the Act provides, *inter alia*, that the registration of a salesperson may be suspended or revoked if the Secretary of State finds that such salesperson has had membership in or association with any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act suspended, revoked, refused, expelled, cancelled, barred, limited in any capacity, or otherwise adversely affected in a similar manner 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
- 9 Section 11 of the Act provides, *inter alia*, that the Secretary of State may suspend or revoke the registration of a salesperson after an opportunity for hearing upon not less than 10 days notice given by personal service or registered mail or certified mail, return receipt requested, to the person or persons concerned

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WHEREAS, the Respondent has acknowledged, while neither admitting nor denying the truth thereof, that the allegations contained in paragraph eight (8) of the Stipulation shall be adopted as the Secretary of State's Conclusions of Law as follows:

- 10 By virtue of the foregoing, Respondent has violated Section 8.E(1)(j) of the Act and is subject to an order which revokes the Respondent's registration as a salesperson of securities in the State of Illinois pursuant to Sections 8 E(1)(j) and 11 of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT

11. The allegations contained in paragraphs seven (7) and eight (8) of the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusions of Law
12. Respondent shall comply with the terms and conditions set forth in the Heightened Supervision Agreement, which was incorporated by reference in the Stipulation
- 13 The Department shall retain jurisdiction over this proceeding for the sole purpose of enforcing the terms and provisions of the Stipulation
- 14 The formal hearing scheduled on this matter is hereby dismissed without further proceeding.

ENTERED. This 10th day of February, 2014



JESSE WHITE
Secretary of State
State of Illinois

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