COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2011-AH-0155

DEPARTMENT OF FINANCIAL INSTITUTIONS — COMPLAINANT

vs.

PRUCO SECURITIES, LLC — RESPONDENT

AGREED ORDER

* * * * * * * * * * * * *

STATEMENT OF AGREED FACTS

1. The Department of Financial Institutions ("DFI") is the public agency of the Commonwealth of Kentucky charged with the enforcement of KRS Chapter 292, the Kentucky Securities Act ("the Act").

2. Pruco Securities, LLC ("Respondent") is registered as both a broker-dealer and an investment adviser under the Act authorized to do business in Kentucky. Respondent operates a branch office located at 10605 Meeting Street, Suite 101, Prospect, Kentucky. Respondent's CRD number is 5685.

3. On June 14, 2010, the DFI's Division of Securities ("the Division") conducted a routine broker-dealer examination of Respondent's branch office.

4. During the course of this examination, the DFI discovered that Respondent compensated two (2) of its agents for activities as investment adviser representatives at a time when neither agent was registered as an investment adviser representative pursuant to the Act.

5. Pursuant to KRS 292.330(10), "It is unlawful for an investment adviser to employ or associate with an investment adviser representative unless the representative is registered under this chapter or exempt from registration."

6. Pursuant to KRS 292.500(14), the Commissioner may impose a fine of up to twenty thousand dollars ($20,000) for each violation of the Act, and an additional twenty thousand dollars ($20,000) if the violation is directed toward an individual sixty (60) years of age or older.

7. In this case, the DFI has imposed a fine against Respondent in the amount of three thousand dollars ($3,000.00) for the violations set forth herein.

AGREEMENT AND ORDER

The DFI and Respondent, in the interest of economically and efficiently resolving the violations and discrepancies described above, agree, and it is hereby ORDERED, as follows:

1. Respondent is assessed a fine in the amount of three thousand dollars ($3,000.00).

2. Respondent shall pay the total fine assessed herein of three thousand dollars ($3,000.00), which shall be due by the date Respondent signs the Agreed Order and returns it to DFI, but in any event no later than September 22, 2011. The payment shall be made payable to "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Attn: Michael T. Davis, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601.

3. Respondent shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set forth in the Act and the regulations set forth in 808 KAR Chapter 10.

4. Any failure by Respondent to comply with any provision of this Agreed Order may result in further administrative action taken by the DFI.

5. Respondent waives its right to demand a hearing at which Respondent would be entitled to legal representation, to confront and cross examine witnesses and to present evidence on its own behalf, and further waives its right to otherwise appeal or set aside this Order.

6. Respondent consents to and acknowledges the jurisdiction of the DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

7. In consideration of execution of this Agreed Order, Respondent for itself, and for its successors and assigns, hereby releases and forever discharges the Commonwealth of Kentucky, the DFI, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Respondent ever had, now has, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration.

8. By signing below, the parties acknowledge they have read the foregoing Agreed Order, know and fully understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties.

9. This Agreed Order shall constitute the Final Order in this matter.

IT IS SO ORDERED on this the 21 day of September, 2011.

Deputy Commissioner

CHARLES A. VICE
COMMISSIONER

Consented to:

This 20th day of September, 2011.

Shonita Bossier, Director
Division of Securities
Department of Financial Institutions

This 13th day of September, 2011.

John Gordon, as President and of
Respondent Pruco Securities, LLC

ACKNOWLEDGEMENT

STATE OF New Jersey)
COUNTY OF Essex)

On this the 13th day of September, 2011, before me Carol Susan Kravette, the undersigned, **John Gordon, as President and authorized representative of Pruco Securities, LLC**, did personally appear and enter into and execute the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

CAROL SUSAN KRAVETTE
A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 12, 2015

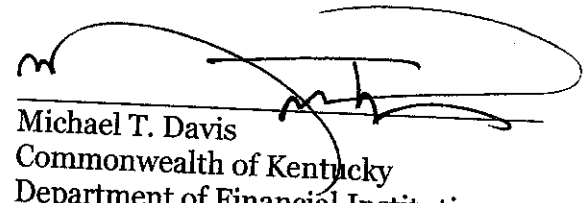
My Commission Expires: _____

Notary Public

Certificate of Service

I, the undersigned, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 23rd day of September, 2011, by certified mail, to the following:

Pruco Securities, LLC
Attn: Stephen Willis, Compliance Manager
751 Broad Street
Newark, New Jersey 07102
Respondent



Michael T. Davis
Commonwealth of Kentucky
Department of Financial Institutions
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Frankfort, Kentucky 40601
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Counsel for Complainant