

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER



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State Securities Board

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KENNETH W. ANDERSON, JR.
MEMBER

SSB Docket No. 01-20

IN THE MATTER OF THE
AGENT REGISTRATION OF
THOMAS FRANCIS DORAN

§
§
§

Order No. CAF-1433

To: Mr. Thomas Francis Doran (CRD #836895)
Josephthal & Co., Inc. (File #16191)
200 Park Avenue, 25th Floor
New York, NY 10166

DISCIPLINARY ORDER

Be it remembered that Thomas Francis Doran ("Respondent") appeared before the Securities Commissioner of the State of Texas ("the Securities Commissioner") and consented to the Entry of this Order and the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to Respondent by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2001)("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2001)("Administrative Procedure Act").
2. Respondent has been registered with the Securities Commissioner as an agent of Josephthal & Co., Inc. since June 29, 1994.
3. On or about March 14, 1997, the Delaware Securities Division filed an administrative action (hereinafter "the Delaware Action") against Respondent alleging that he misrepresented securities to his customers and sold unsuitable securities.
4. On or about April 21, 1997, Respondent filed an amendment to his Form U-4 disclosing the Delaware Action.

5. On or about June 11, 1998, Respondent settled the Delaware Action. The settlement included a Consent Order (hereinafter "the Consent Order") that ordered Respondent to pay approximately \$61,000 in restitution. The settlement also included an Agreement (hereinafter "the Agreement") that Respondent never apply for registration in Delaware as an agent.
6. On or about September 28, 1998, Respondent filed an amendment to his Form U-4 indicating that the Delaware Action had been dismissed, thereby removing all disclosure of the Delaware Action from his Form U-4. This amendment failed to disclose the Consent Order and the Agreement.
7. On or about March 7, 2000, Respondent filed an amendment to his Form U-4 to disclose a customer complaint. This amendment failed to disclose the Delaware Action, the Consent Order, and the Agreement.
8. On or about May 24, 2000, a representative of the Securities Commissioner sent a letter to Respondent and Josephthal & Co., Inc. noting the failure of Respondent to disclose the Delaware Action, the Consent Order, and the Agreement on his Form U-4.
9. On or about September 21, 2000, Respondent filed an amendment to his Form U-4 to disclose the Delaware Action and the Consent Order. This amendment failed to disclose the Agreement.
10. The Form U-4 application for registration requires applicants and registrants to disclose details of any administrative actions filed by state regulators, including all terms of any resolution to the administrative action.
11. Rule 115.1(g) of the Rules and Regulations of the State Securities Board (hereinafter "Board Rules") requires registrants to amend Form U-4 within 30 days of any changes.
12. Pursuant to Board Rule 101.2(c), certain forms required to be filed with the Securities Commissioner, including Form U-4, have been adopted as Board Rules.

CONCLUSIONS OF LAW

1. A failure to disclose or update information required by Form U-4 constitutes a violation of a Board Rule.
2. Pursuant to Sections 14.A(6) and (7) of the Texas Securities Act, each of the foregoing rule violations constitutes a basis for the issuance of an order reprimanding an agent.
3. Pursuant to Section 23-1 of the Texas Securities Act, each of the foregoing rule violations constitutes a basis for the issuance of an order assessing an administrative fine against an agent.

ORDER

1. It is therefore ORDERED that Respondent is hereby REPRIMANDED
2. It is further ORDERED that Respondent is ASSESSED AN ADMINISTRATIVE FINE in the amount of Five Thousand Dollars (\$5,000.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Five Thousand Dollars (\$5,000.00), payable to the State of Texas, contemporaneously with the delivery of this Order.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this ^{11th} ~~30~~ day
of ~~May~~ June, 2001.

Denise Voigt Crawford

DENISE VOIGT CRAWFORD
Securities Commissioner

Respondent:

Thomas Francis Doran
Thomas Francis Doran

Approved as to Form:

Michael S. Gunst
Michael S. Gunst, Director
Dealer Registration Division

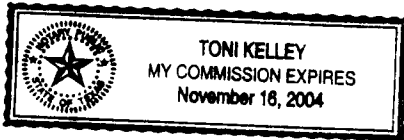
David A. Grauer
David A. Grauer, Director
Enforcement Division

Joel H. Sauer
Joel H. Sauer, Assistant Director
Dealer Registration Division

ACKNOWLEDGMENT

On the 30 day of may, 2001, Thomas Francis Doran ("Respondent") personally appeared before me, executed the foregoing Order and acknowledged that:

1. Respondent has read the foregoing Order;
2. Respondent has been fully advised of Respondent's rights under The Securities Act and the Administrative Procedure Act;
3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained therein; and,
4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



[affix notary seal here]

Toni Kelley
Notary Public in and for
the State of Texas

My commission expires on:

NOV. 18, 2004