

**NASD  
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.



and

Dennis Jordan  
CRD No. 1420210

Respondents.

Disciplinary Proceeding  
No. E072003092501

Hearing Officer: SNB

**ORDER ACCEPTING OFFER OF  
SETTLEMENT FOR DENNIS JORDAN**

**INTRODUCTION**

Disciplinary Proceeding No. E072003092501 was filed on October 21, 2005, by the Department of Enforcement of NASD ("Complainant"). Respondent Dennis Jordan submitted an Offer of Settlement ("Offer") to Complainant on May 9, 2006. Pursuant to Code of Procedure Rule 9270(e), the Complainant and the National Adjudicatory Council ("NAC") Review Subcommittee or the Office of Disciplinary Affairs ("ODA") have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to Code of Procedure Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented for the purpose of this proceeding and any other proceeding in which NASD is a party, without admitting or denying the allegations of the Complaint, to the entry of findings of facts and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by NASD.

## **BACKGROUND**

During the relevant time frame, Respondent Jordan was the majority shareholder, president, chief executive officer and chief compliance officer of [REDACTED]. Jordan first became registered with NASD in January 1990. He became registered as a general securities representative and principal by [REDACTED] in September 1998. Jordan currently is not registered with an NASD member.

## **FINDINGS AND CONCLUSIONS**

It has been determined that the Offer be accepted and that findings be made as follows:<sup>1</sup>

1. As alleged in the First Cause of Complaint, from in or about April, 2002, through in or about December, 2003, Respondent Jordan engaged in the unregistered offer and sale of shares of Royal Ridge, Inc. common stock owned by Respondent Jordan, in violation of Section 5 of the Securities Act, and NASD Conduct Rule 2110.
2. As alleged in the Third Cause of Complaint, Respondent Jordan failed to prepare and preserve required books and records in connection with the unregistered offers and sales alleged in the First Cause of Complaint, in violation of Securities Exchange Act Rules 17a-3, 17a-4 and 10b-10, , and NASD Conduct Rules 2110 and 3110.
3. As alleged in the Fifth Cause of Complaint, Respondent Jordan failed to reasonably supervise the offering of Jordan's Royal Ridge and PCI stock to prevent the fraudulent sales practices alleged in the Second and Fourth Causes of Complaint, in violation of NASD Conduct Rules 2110 and 3010(a).

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by NASD of its regulatory responsibility under the Securities Exchange Act of 1934.

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<sup>1</sup> The findings herein are pursuant to Respondent Jordan's Offer of Settlement and are not binding on any other person or entity named as a respondent in this or any other proceeding.

## SANCTIONS

It is ordered that:

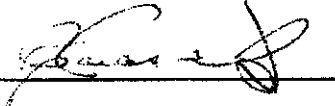
- (1) Respondent Jordan be fined \$27,500 fine, which shall be due and payable pursuant to the installment payment plan as designated on the attached Election of Payment form, either immediately upon reassociation with a member firm following the eighteen-month suspension noted imposed herein, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.
- (2) Respondent Jordan be suspended from association with any NASD member in all capacities for eighteen months.
- (3) Following the eighteen-month suspension noted above, Respondent Jordan must requalify in any capacity for which he seeks registration by passing the appropriate qualification examination.
- (4) Respondent Jordan pay restitution to the customers listed on Attachment A to the Offer in the total amount of \$98,000, plus interest at the rate set forth in Section 6621(a)(2) of the Internal Revenue Code, 26 U.S.C. 6621(a)(2), from the dates of the violative conduct, as indicated in Attachment A, until the date of payment. Restitution amounts ordered pursuant to this disciplinary action are due and payable immediately upon reassociation with a member firm following the suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier. The imposition of a restitution order or any other monetary sanction herein, and the timing of such ordered payments, does not preclude customers from pursuing their own actions to obtain restitution or other remedies. If for any reason Respondent cannot locate any customer [identified in Attachment A] after reasonable and documented efforts within such period, or such additional period agreed to by the staff, Respondent shall forward any undistributed restitution and interest to the

appropriate escheat, unclaimed property, or abandoned property fund for the state in which the customer is last known to have resided.

**SO ORDERED.**

**NASD**

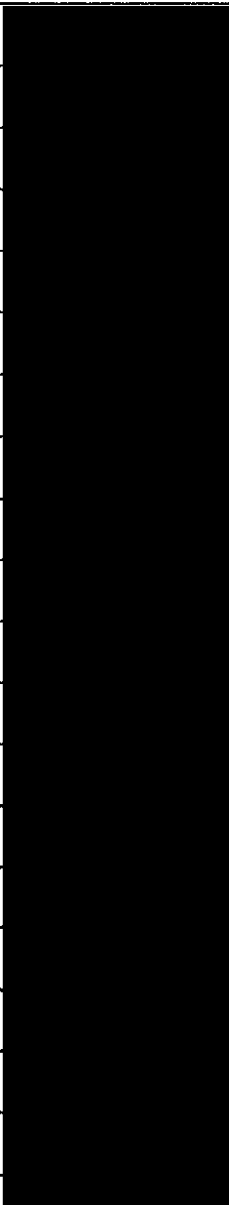
**Signed on behalf of the Director of  
ODA, by delegated authority**

By: 

**Gene E. Carasick, Regional Counsel  
NASD Department of Enforcement  
3490 Piedmont Road, N.E., Suite 500  
Atlanta, GA 30305  
404-239-6125**

**May 17, 2006**

# Appendix A

| Customer                                                                           | Restitution Amount | Date of Violative Conduct |
|------------------------------------------------------------------------------------|--------------------|---------------------------|
|  | \$3,000            | 4/1/2002                  |
|                                                                                    | \$4,500            | 4/1/2002                  |
|                                                                                    | \$3,000            | 6/1/2002                  |
|                                                                                    | \$5,000            | 4/1/2002                  |
|                                                                                    | \$3,750            | 5/1/2002                  |
|                                                                                    | \$15,000           | 11/1/2002                 |
|                                                                                    | \$3,750            | 12/1/2002                 |
|                                                                                    | \$3,000            | 12/1/2002                 |
|                                                                                    | \$3,000            | 12/1/2002                 |
|                                                                                    | \$7,500            | 12/1/2002                 |
|                                                                                    | \$1,500            | 12/1/2002                 |
|                                                                                    | \$15,000           | 12/1/2002                 |
|                                                                                    | \$1,500            | 12/1/2002                 |
|                                                                                    | \$3,750            | 12/1/2002                 |
|                                                                                    | \$4,500            | 7/1/2003                  |
|                                                                                    | \$4,500            | 7/1/2003                  |
|                                                                                    | \$1,500            | 7/1/2003                  |
|                                                                                    | \$6,750            | 7/1/2003                  |
|                                                                                    | \$2,250            | 7/1/2003                  |
|                                                                                    | \$5,250            | 12/1/2003                 |
|                                                                                    |                    |                           |