

**ADMINISTRATIVE PROCEEDING
BEFORE THE
MARYLAND SECURITIES COMMISSIONER**

IN THE MATTER OF: * Case No. 2002-0849

Wayne E. Jackson *

Respondent. *

* * *

FINAL ORDER OF BAR

WHEREAS, pursuant to §11-405 of the Maryland Securities Act, Md. Ann. Code, Corps. & Ass'ns, §§11-101, et seq. (1999 Repl. Vol. & 2003 Cum. Supp.) (the "Securities Act"), Respondent Wayne E. Jackson (the "Respondent") was until September 5, 2001 registered in Maryland as broker-dealer agent affiliated with First Union Securities, Inc.; and

WHEREAS, in early 2003 Jackson pled guilty to criminal charges including wire fraud in the U.S. District Court for the District of Maryland (Greenbelt); and

WHEREAS, Respondent Jackson's guilty plea was in connection with a securities fraud scheme whereby he caused an elderly couple, Joseph and Josephine Vellone, to make large contributions to supposed non-profit organizations under Respondent's control; and

WHEREAS, in his guilty plea, Respondent Jackson stipulated to a Statement of Facts regarding his dealings with the Vellones, and agreed to relinquish all rights, title and interest in certain real and personal property; and

WHEREAS, §11-412(a)(3) of the Securities Act authorizes the Maryland Securities Commissioner (the "Commissioner") to deny, suspend or revoke any registration if she finds that the order is in the public interest and that the applicant or registrant has been convicted, within

the last 10 years, of a felony, or of an offense that arises out of the conduct of business as, or employment by or association with, a broker-dealer, municipal or government securities broker or dealer, investment adviser, bank, savings institution, trust company, credit union, savings and loan association, insurance company or insurance producer, fiduciary, investment company, accountant, or real estate agent or broker, or any entity or person required to be registered under the Commodity Exchange Act, or involves the larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion, or misappropriation of funds or securities, or an attempt or conspiracy to commit any of those offenses; and

WHEREAS, based on the information presented by the Division, the Commissioner concluded that Respondent Jackson engaged in acts or practices constituting violations of the Securities Act; and

WHEREAS, on October 22, 2004, the Commissioner, pursuant to the authority granted by §11-701.1 of the Securities Act, issued against Respondent Jackson an Order To Show Cause ordering Respondent to show cause why a final order should not be issued against him, prohibiting Respondent from engaging in the activities of a securities agent or investment adviser in this State; and

WHEREAS, the Order To Show Cause gave Respondent notice of the opportunity for a hearing in this matter, provided that Respondent submitted within fifteen (15) days of service of the Order To Show Cause an answer, including any request for a hearing, and notice that Respondent's failure to do so would be deemed a waiver of the right to a hearing and result in the entry of a final order; and

WHEREAS, a copy of the Order To Show Cause was served upon Respondent and upon

the Commissioner in accordance with §11-802 of the Act; and

WHEREAS, to date the Division has not received any communication from Respondent, including no answer or request for a hearing.

NOW, THEREFORE, IT IS HEREBY ORDERED, THAT Respondent Wayne E. Jackson is permanently barred from the securities and investment advisory business in Maryland

DATE OF THIS ORDER:

SO ORDERED:

_____, 2004

Melanie Senter Lubin
Maryland Securities Commissioner