

STATE OF MAINE  
OFFICE OF SECURITIES  
121 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0121

\_\_\_\_\_  
IN THE MATTER OF: )  
)  
)

American Research & Management Company )  
145 Front Street )  
Marion, MA 02738-0576 )  
\_\_\_\_\_ )

CONSENT AGREEMENT  
No. 04-009-CAG

This Agreement is entered into between the State of Maine Office of Securities (“Office of Securities”) and American Research & Management Company (“American”), a broker-dealer located in Marion, Massachusetts.

**WHEREAS**, the parties agree as follows:

1. At all relevant times, it has been unlawful in Maine for a person to act as a broker-dealer unless licensed or exempt from licensing under the Revised Maine Securities Act, Title 32 Maine Revised Statutes Annotated § 10101 et seq.;
2. American filed an application with the Office of Securities for licensing as a broker-dealer on May 19, 2003;
3. On June 16, 2003, the Office of Securities sent a letter to American requesting that the firm provide additional information in connection with its pending broker-dealer application;
4. In response to the June 16, 2003, letter, American informed the Office of Securities in a letter dated June 28, 2003, that it had effected transactions for the account of one Maine client while unlicensed. The firm’s documentation revealed that it had effected at least sixty (60) transactions for its Maine client over a six-year period;
5. It is the Office of Securities’ position that American has acted as a broker-dealer in Maine without being licensed or exempt from licensing;
6. American has represented to the Office of Securities that the violations were unintentional and that the unlicensed activity had only recently come to the firm’s attention as a result of an internal compliance review undertaken by the firm; and
7. Both parties desire an expeditious resolution of this matter.

**NOW, THEREFORE**, without trial or adjudication of any issue of fact or law, and without American admitting or denying that its conduct violated the Revised Maine Securities Act, it is agreed that:

1. American will comply with all licensing and other legal requirements governing persons acting as securities broker-dealers in the State of Maine at all times from the date hereof;
2. In lieu of the Office of Securities seeking the imposition of a penalty for the allegations contained herein, American will pay the sum of \$4,062.97 to the Office of Securities upon American's execution of this Agreement; and
3. The Office of Securities will not take further action against American, based upon its unlicensed status during the period preceding and including the date of execution of this Agreement, **PROVIDED**, however, that this paragraph applies only to those transactions previously disclosed to the Office of Securities by American.

August 11, 2003  
Date

/s/ Charles G. Paulsen, President  
Charles G. Paulsen, President  
American Research & Management Company

August 12, 2003  
Date

/s/ Christine A. Bruenn  
Christine A. Bruenn  
Securities Administrator

Reviewed by:

August 12, 2003  
Date

/s/ Bonnie E. Russell  
Bonnie E. Russell  
Assistant Securities Administrator

Presented by:

August 12, 2003  
Date

/s/ Cathy J. Williams  
Cathy J. Williams  
Licensing Coordinator