

STATE OF MAINE  
SECURITIES DIVISION  
121 STATE HOUSE STATION  
AUGUSTA, MAINE 04333

\_\_\_\_\_) )  
IN THE MATTER OF: ) )  
 ) )  
Sterne, Agee & Leach, Inc. ) ) ) CONSENT AGREEMENT  
CMT Plaza ) ) ) No. 01-032-CAG  
813 Shades Creek Parkway Suite 100B ) ) )  
Birmingham, AL 35209 ) ) )  
\_\_\_\_\_) )

This Agreement is entered into between the State of Maine Securities Division ("Securities Division") and Sterne, Agee & Leach, Inc. ("Sterne, Agee & Leach"), a broker-dealer located in Birmingham, Alabama.

**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. Sterne, Agee & Leach filed an application with the Securities Division for licensing as a broker-dealer on July 6, 2000.
3. As part of the July 6, 2000, submission, the firm disclosed to the Securities Division that it had effected transactions for the accounts of three (3) Maine clients while unlicensed. The firm's documentation revealed that it had effected at least eleven (11) transactions for its Maine clients.
4. It is the Securities Division's position that Sterne, Agee & Leach has acted as a broker-dealer in Maine without being licensed or exempt from licensing.
5. Sterne, Agee & Leach has represented to the Securities Division that the violations were inadvertent and were caused by: i) a client moving from Georgia to Maine, and ii) a mistaken belief that one client, who opened two accounts, had a summer home in Maine
6. Both parties desire an expeditious resolution of this matter.

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

1. Sterne, Agee & Leach 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 Securities Division seeking the imposition of a penalty for the allegations contained herein, Sterne, Agee & Leach will pay the sum of \$3,000.00 to the Securities Division upon Sterne, Agee & Leach's execution of this Agreement; and
3. The Securities Division will not take further action against Sterne, Agee & Leach 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 Securities Division by Sterne, Agee & Leach.

*November 19, 2001*

*Christine A. Bruenn*

\_\_\_\_\_  
Date

\_\_\_\_\_  
Christine A. Bruenn  
Securities Administrator

\_\_\_\_\_  
Date

\_\_\_\_\_  
Christopher L. Frankel  
Managing Director  
Sterne, Agee & Leach, Inc.