

STATE OF ALASKA DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION OF BANKING AND SECURITIES 550 WEST SEVENTH AVENUE, SUITE 1850 ANCHORAGE, ALASKA 99501 (907)269-8140 7

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broker-dealer agent for David Lerner Associates ("DLA") (CRD # 5397) from March 31,
 2000 to August 7, 2015.

3 3. Respondent was first registered as broker-dealer agent in Alaska on January 23,
4 2008 for DLA, and is currently registered for Ameriprise.

4. Alaska resident S.M. was a client of Respondent at DLA from January 23, 2008 to
6 August 7, 2015.

5. On February 19, 2015, Respondent executed a trade in S.M.'s account.
Specifically, Respondent sold shares of Spirit of America Income Fund (symbol: SOAIX) and bought shares of Gabelli Utilities Fund (symbol: GAUAX). Respondent received a net commission of \$1,033 for the trade.

6. Respondent sold shares of Spirit of America Income Fund and bought shares of Gabelli Utilities Fund for S.M. without obtaining written discretionary authority from S.M.

7. S.M. closed her account with DLA on December 1, 2015 and sold all her shares in
Gabelli Utilities Fund.

8. As a result of the purchase of Gabelli Utilities Fund, S.M. lost \$7,813.61.

9. On July 15, 2016, Respondent paid S.M. \$7,813.61 to restore her loss.

II. CONCLUSIONS OF LAW

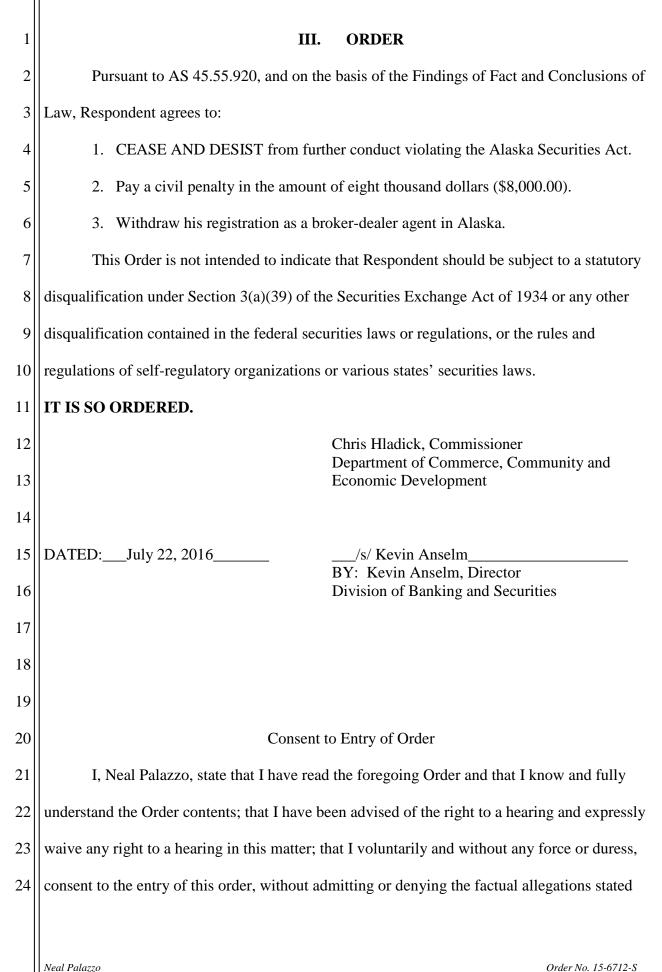
The mutual funds that Respondent bought and sold on behalf of S.M. were
 "securities" as that term is defined in AS 45.55.990(32).

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2. Respondent violated AS 45.55.025(28) by exercising discretion in buying and
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3. Respondent is subject to a civil penalty pursuant to AS 45.55.920(b) because he
knowingly and intentionally violated AS 45.55.025(28).

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Neal Palazzo Order to Cease and Desist



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Order to Cease and Desist

rder No. 15-6712-S Page **3** of **4**

