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BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO

STATE OF IDAHO, Department of Finance,
Securities Bureau,

Complainant,

vs.

THE OHIO COMPANY,

Respondent.

Docket No. 1997-7-43

AGREEMENT AND ORDER

The Director of the Department of Finance has reviewed the pending broker-dealer registration application of The Ohio Company (Respondent). Pursuant to said review, it appears to the Director that violations of the Idaho Securities Act, Idaho Code §30-1401 *et seq.*, have occurred. The Director and Respondent have agreed to resolve this matter without a public hearing. Therefore, the Director deems it appropriate and in the public interest that this Agreement and Order be entered. Respondent consents to the entry of this Agreement and Order.

BACKGROUND

1. Respondent is a broker-dealer which has been licensed with the NASD since September 11, 1939.
2. Respondent has had a pending broker-dealer registration application on file with the Director since November 6, 1996.
3. Upon inquiry by the Department, Respondent admitted having made sales of securities in Idaho, through unlicensed agents, prior to becoming registered as a broker-dealer in Idaho.

FINDINGS OF VIOLATIONS

4. Respondent purchased and sold securities for the accounts of ten Idaho investors from July 21, 1992 through August 7, 1996. At no time during this period was Respondent registered by the Department as a broker-dealer in Idaho. Idaho Code §30-1406 requires the registration of broker-dealers prior to conducting securities business in Idaho. Respondent has violated Idaho Code §30-1406.
5. Respondent purchased and sold securities for Idaho investors during the above time period through unlicensed agents. Idaho Code §30-1406 requires the licensing of broker-dealer agents prior to conducting securities business in Idaho. Respondent has violated Idaho Code §30-1406.

REMEDIES

6. Respondent admits to the allegations contained in this Agreement and Order.
7. Respondent agrees to make an offer of rescission, in accordance with Idaho Code

§30-1446 to all Idaho residents who were sold securities by Respondent in the last five years.

8. Respondent agrees to pay a fine to the Department in the amount of \$5,000 within thirty (30) days of the date of this Agreement and Order.

9. Respondent agrees to comply with the provisions of the Idaho Securities Act in future securities transactions.

DONE AND DATED at Boise, Idaho this _____ day of June, 1997.

THE OHIO COMPANY

BY: H. Keith Allen

NAME: H. KEITH ALLEN

Title: CHIEF OPERATING OFFICER

Marilyn T. Scanlan

MARILYN T. SCANLAN
Bureau Chief, Securities Bureau
Department of Finance
State of Idaho

IT IS SO ORDERED This 30th day of June, 1997.

Gavin M. Gee

GAVIN M. GEE
Director of Finance

