

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: HARVEST FINANCIAL)
CORPORATION)
_____)

FILE NO. 0500562

CONSENT ORDER OF FINE

TO THE RESPONDENT: Harvest Financial Corporation
(CRD#: 8733)
17th Floor West
Two Gateway Center
Pittsburgh, Pennsylvania 15222

WHEREAS, Respondent on the 25th day of April 2006 executed a certain Stipulation to Enter Consent Order of Fine (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department dated March 16, 2006 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Fine ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the truth thereof, that the following allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1. On October 11, 2005 the Respondent filed a Form BD Application for registration as a dealer in the State of Illinois.
2. On February 22, 2006, a Summary Order of Denial (the "Order") was issued by the Secretary of State denying this Application. Pursuant to the terms of the Order, the Respondent requested a hearing on February 28, 2006.

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3. The Respondent is a corporation which engages in the business of acting as a dealer in the offer and sale of securities to the general public.
4. Between December 19, 1996 and June 22, 2005 the Respondent effected 93 purchase transactions in customer accounts belonging to Illinois residents by means of its salespersons.
5. Section 8.A of the Act provides, in pertinent part, except as otherwise provided, every dealer and salesperson shall be registered as such with the Secretary of State.
6. The activity described in paragraph two (2) above constitutes the activity of a dealer as defined in Section 2.7 of the Act.
7. During all relevant times, the Respondent and its salespersons were not registered with the Secretary of State as a dealer pursuant to Section 8 of the Act.
8. Section 12.A of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to offer or sell any security except in accordance with the provisions of the Act.
9. Section 12.C of the Act provides, inter alia, that it is a violation of the provisions of the Act for any person to act as a dealer and/or salesperson, unless registered as such where such registration is required under the provisions of the Act.
10. By virtue of the foregoing, the Respondent has committed violations of Sections 12.A and 12.C of the Act.
11. Section 8.E(1)(g) of the Act provides that the registration of a dealer may be denied if it has violated any of the provisions of this Act.
12. Section 11.E(4) of the Act provides that in addition to any other sanction or remedy contained in this subsection E, the Secretary of State, after finding that any provision of this Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000, for each violation of this Act, may issue an order of public censure against the violator, and may charge as costs of investigation all reasonable expenses, including attorney's fees and witness fees.

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

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By virtue of the foregoing, the Respondent is subject to a FINE pursuant to Sections 12A, 12C and 11.E(4) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that they shall be FINED Nine Thousand Three Hundred dollars (\$9,300.00), to be paid by certified or cashier's check, made payable to the Secretary of State, Investors Education Fund.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that they shall be levied fees and costs as follows: Three Thousand Six Hundred dollars (\$3,600.00) for back and current dealer registration fees; Two Thousand Two Hundred dollars (\$2,200.00) representing back and current registration fees for two (2) salespersons; and Two Thousand Five Hundred dollars (\$2,500.00) to cover the cost incurred during the investigation of this matter, to be paid by cash or certified check, made payable to the Office of the Secretary of State, Investors Education Fund.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that it has submitted with the Stipulation a certified or cashier's check in the amount of Seventeen Thousand Nine Hundred dollars (\$17,600.00). Said sum is allocated as follows: Nine Thousand Three Hundred dollars (\$9,300.00) as FINE for violations of the Act; Three Thousand Six Hundred dollars (\$3,600.00) for back and current dealer registration fees; Two Thousand Two Hundred dollars (\$2,200.00) representing back and current registration fees for two (2) salespersons; and Two Thousand Five Hundred dollars (\$2,500.00) to cover the costs incurred during the investigation of this matter. Said check has been made payable to the Office of the Secretary of State, Investors Education Fund.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDER THAT:

1. The Summary Order of Denial dated February 22, 2006 is vacated.
2. Respondent is FINED in the amount of Nine Thousand Three Hundred dollars (\$9,300.00), payable to the Office of the Secretary of State, Investors Education Fund, and on May 10, 2006 has submitted a certified or cashier's check for Nine Thousand Three Hundred dollars (\$9,300.00) made payable to Secretary of State Investors Education Fund in payment thereof.
3. Respondent is levied fees for back and current dealer registration in the amount of Three Thousand Six Hundred dollars (\$3,600.00),


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payable to the Office of the Secretary of State, Investors Education Fund, and on May 10, 2006 has submitted a certified or cashier's check for Three Thousand Six Hundred dollars (\$3,600.00) made payable to Secretary of State Investors Education Fund in payment thereof.

4. Respondent is levied back and current registration fees the amount of Two Thousand Two Hundred dollars (\$2,200.00) for two (2) salespersons, payable to the Office of the Secretary of State, Investors Education Fund, and on May 10, 2006 has submitted a certified or cashier's check for Two Thousand Two Hundred dollars (\$2,200.00) in payment thereof.
5. Respondent is levied costs of investigation in this matter in the amount of Two Thousand Five Hundred dollars (\$2,500.00), payable to the Office of the Secretary of State, Investors Education Fund, and on May 10, 2006 has submitted a certified or cashier's check for Two Thousand Five Hundred dollars (\$2,500.00) made payable to Secretary of State Investors Education Fund in payment thereof.
6. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 10th day of May 2006.


JESSE WHITE
Secretary of State
State of Illinois

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