STATE OF MISSISSIPPI
SECRETARY OF STATE
SECURITIES DIVISION

IN THE MATTER OF:

ADMINISTRATIVE PROCEEDING NUMBER 95-03-03

STRATTON OAKMONT, INC.
1979 Marcus Avenue
Lake Success, New York 11042-1002

Respondent

SUMMARY SUSPENSION AND NOTICE OF INTENT TO REVOKE REGISTRATION

I

NOTICE is hereby given that the Secretary of State, Securities Division (the "Division"), intends to revoke the broker-dealer registration of Stratton Oakmont, Inc. ("Respondent") pursuant to § 75-71-321(a)(2)(D) of the Mississippi Securities Act, Miss. Code Ann. Section 75-71-101, et seq., (1972, as amended) (the "Act") and hereby issues the summary suspension of Respondent's broker-dealer registration in the State of Mississippi.

II

The United States Securities And Exchange Commission (the "Commission") on March 17, 1994 entered into an Order (the "Commission Order") with Respondent Stratton Oakmont, Inc. In the Commission Order, the Commission found that Respondent and its representatives

wilfully violated Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act of 1934 and Rule 10b-5 thereunder in that Stratton Oakmont, Inc., through its registered representatives, engaged in fraudulent sales practices in the offer and sale of certain securities.

Pursuant to the Commission Order, an Independent Consultant was retained to review Respondent's operations and to formulate and recommend appropriate sales practices, policies and procedures. The Report by the Independent Consultant was issued on August 18, 1994. On December 19, 1994, Judge Joyce Hens Green of the United States District Court for the District of Columbia issued a temporary restraining order ("TRO") in this matter requiring Respondent to fully comply with the Commission Order before the TRO expired. On January 11, 1995, the Court issued a Preliminary Injunction ordering Respondent to implement the recommendations of the Report and comply with the Commission Order. On March 1, 1995, the Court issued a Permanent Injunction restraining and enjoining Respondent from violating the Commission Order.

III

With respect to the denial, suspension or revocation of registration, Section 75-71-321(a) of the Act states:

> The secretary of state may by order deny, suspend or revoke any registration if the secretary of state finds (1) that the order is in the public interest and (2) that the applicant or registrant . . .
>
> (D) Is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the securities business.

The Respondent has been permanently enjoined by a court of competent jurisdiction from engaging in and/or continuing certain conduct as set forth above concerning Respondent's

securities business.

IV

This Summary Suspension and Notice of Intent to Revoke Registration is issued in the public interest and for the protection of investors consistent with the purpose of the Act.

V

The Division reserves the right to amend this Summary Suspension and Notice of Intent to Revoke Registration to allege additional violations.

VI

IT IS THEREFORE ORDERED, pursuant to the authority set out in Section 75-71-321(a)(2) of the Act, that the broker-dealer registration of Respondent Stratton Oakmont, Inc. shall be immediately **SUSPENDED** and Respondent is ordered to cease any further activity in, or originating from, the State of Mississippi in connection with the offer and/or sale of securities.

BE ADVISED THAT, pursuant to Section 75-71-735 of the Act, a willful violation of this Summary Suspension may be punishable upon conviction by a fine of not more than twenty-five thousand dollars ($25,000) or five (5) years imprisonment, or both, in addition to civil and administrative remedies available to the Division.

NOTICE is hereby given that the Respondents shall have thirty (30) days from the date of receipt of this Summary Suspension and Notice of Intent to Revoke Registration to give written notice requesting a hearing on the matters contained herein to Susan A. Shands, Director of the Securities Division, Secretary of State, Post Office Box 136, 202 North Congress Street, Suite 601, Jackson, Mississippi 39201. In the event such a hearing is

requested, the Respondents may appear, with or without the assistance of an attorney, on a date and at a time and place to be specified and cross-examine witnesses, present testimony, evidence and argument relating to the matters contained herein. In the event such written notice is not received within said thirty (30) day period of time, a FINAL REVOCATION OF REGISTRATION may be entered in this proceeding with no further notice.

Entered, this the 6th day of March, 1995.

Dick Molpus
Secretary of State

BY: Susan A. Shands
Susan A. Shands
Assistant Secretary of State
Securities Division

Securities Division
Secretary Of State
Post Office Box 136
202 North Congress Street
Suite 601
Jackson MS 39201
(601) 359-6364

State of Mississippi

Office of Secretary of State

Jackson

I, Dick Molpus, Secretary of State of the State of Mississippi, do hereby certify that the within and attached is a true and correct copy of

Summary Suspension and
Notice of Intent to Revoke Registration
Entered in the Matter of
STRATTON OAKMONT INC
Administrative Proceeding Number 95-03-03

the original of which is now a matter of record in this office

Given under my hand and Seal of Office this the
6th day of March, 1995

Secretary of State