

STATE OF MAINE  
OFFICE OF SECURITIES  
121 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0121

\_\_\_\_\_) )  
IN THE MATTER OF: ) )  
McKinnon & Company, Inc. ) ) CONSENT AGREEMENT  
\_\_\_\_\_) ) No. 06-022-CAG

This Agreement is entered into between the State of Maine Office of Securities (“Office”) and McKinnon & Company, Inc. (“McKinnon”), CRD #21907, a broker-dealer with its principal place of business in Norfolk, Virginia.

**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 pursuant to sections 10301 and 10302 of the Revised Maine Securities Act (“the Act”).
2. McKinnon filed an application with the Office for licensing as a broker-dealer on July 11, 2005.
3. In response to an inquiry from the Office, McKinnon disclosed that it had effected at least forty-two (42) transactions for the accounts of three (3) Maine consumers while unlicensed.
4. It is the Office’s position that McKinnon has acted as a broker-dealer in Maine without being licensed or exempt from licensing.
5. McKinnon has represented to the Office that it was not its intention to violate the Maine Revised Securities Act.
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 McKinnon admitting or denying that its conduct violated the Revised Maine Securities Act, it is agreed that:

1. McKinnon 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 Office seeking the imposition of a penalty for the allegations contained herein, McKinnon will pay the sum of \$3,000 to the Office upon McKinnon’s execution of this Agreement; and

3. The Office will not take further action against McKinnon, based solely 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 Office by McKinnon.

November 22, 2005  
Date

s/William J. McKinnon, President/CCO  
William J. McKinnon, President / CCO  
McKinnon & Company, Inc.

November 28, 2005  
Date

s/Michael J. Colleran  
Michael J. Colleran  
Securities Administrator

Reviewed by:

November 28, 2005  
Date

s/Bonnie E. Russell  
Bonnie E. Russell  
Assistant Securities Administrator

Presented by:

November 28, 2005  
Date

s/Cathy J. Williams  
Cathy J. Williams  
Licensing Coordinator