



SECURITIES COMMISSIONER FOR THE
STATE OF DELAWARE
APR 08 2011

**BEFORE THE SECURITIES COMMISSIONER
OF THE STATE OF DELAWARE**

In The Matter Of:)
)
An Investigation by the Division of) Case No. **10-8-3**
Securities of the Department of Justice)
of the State of Delaware)

SPECIAL STIPULATION AGREEMENT AND ORDER

Preliminary Statement

WHEREAS, the Delaware Division of Securities (the "Division") is a unit within the Delaware Department of Justice directed by the Delaware Securities Commissioner (the "Commissioner"), which derives its authority from the Attorney General pursuant to the Delaware Securities Act (the "Delaware Securities Act", 6 *Del. C.* Ch. 73); and

WHEREAS, applicant Bradley K. Adams ("Adams") has advised the Division of his agreement to enter into this Special Stipulation Order (the "Order") regarding his pending application (the "Application") for registration as a broker-dealer agent under the Delaware Securities Act;

NOW THEREFORE, the Commissioner and Adams hereby enter into this Special Stipulation Agreement and Order.

FINDINGS OF FACT

1. Applicant Bradley K. Adams ("Adams"), CRD No. 1261791, is currently employed by Janney Montgomery Scott LLC (CRD No. 463) ("JMS") as a broker-dealer agent.

2. From on or about June 1, 2009, through on or about February 28, 2011, Adams was employed by Morgan Stanley Smith Barney (CRD No. 149777) ("MSSB") as a broker-dealer agent.

3. While he was still employed with MSSB, Adams submitted the Application to the Division. Adams renewed the Application when he commenced his employment with JMS.

4. On or about April 23, 2010, Adams signed a Letter of Acceptance, Waiver and Consent (the "Letter") with the Financial Industry Regulatory Authority ("FINRA"). The Letter was signed by FINRA on or about May 18, 2010, and was signed for the purpose of a settlement of a proposed rule violation, as described therein.

5. As set forth in detail in the Letter, FINRA found that Adams, while an employee of MSSB, failed reasonably to supervise Singer, a registered representative then employed by MSSB. From approximately September 2004 through October 2006, Singer either was directly involved in, or was aware of, a scheme by two customers of MSSB to misappropriate approximately \$60 million in cemetery trust funds.

6. Singer was indicted by authorities in Tennessee and Indiana for criminal misconduct in connection with the scheme. Adams has cooperated with the authorities and has served as a witness for the prosecution in each state's action against Singer.

7. In the Letter, Adams and FINRA agreed to the imposition of sanctions against Adams, including: (i) a 30-day suspension from association with any member firm in all capacities; (ii) a 12-month suspension from association with any member firm in any supervisory capacity, to run consecutively with the 30-day suspension; and (iii) payment of a \$15,000.00 fine.

8. Adams appeared for an interview with the Division on October 20, 2010. In the interview, Adams represented to the Division that he has not served in a supervisory capacity since on or about June 14, 2007. He further represented to the Division that he is willing to stipulate, as a condition of the Division's approval of the Application, that he will not serve in a supervisory capacity for a period of two (2) years following the date of the entry of this Special Stipulation Agreement and Order.

CONCLUSIONS OF LAW

9. The Commissioner has jurisdiction over this matter pursuant to 6 *Del. C.* § 7316 and § 101(b) of the Rules and Regulations Pursuant to the Delaware Securities Act.

10. The failure of Adams reasonably to supervise Singer in connection with the scheme, as described briefly in ¶ 5 of this Special Stipulation Agreement and Order, and in detail in the Letter, constituted dishonest or unethical practices by a broker-dealer agent in violation of 6 *Del. C.* § 7316(a)(7), as well as the failure reasonably to supervise a broker-dealer agent's employees in violation of 6 *Del. C.* § 7316(a)(10).

ORDER

On the basis of the Findings of Fact, Conclusions of Law, and Adams' consent to the entry of this Order,

IT IS HEREBY ORDERED:

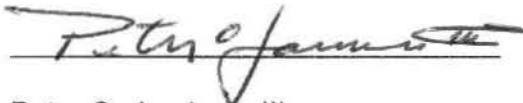
1. This Order concludes the above-captioned action and any other action that the Division could commence under applicable Delaware law as it relates to the matters in connection with the pending Application. The Division shall refrain from

initiating any future actions against Adams based upon or related to the conduct set forth in this Special Stipulation Agreement and Order.

2. This Special Stipulation Agreement and Order is entered into solely for the purpose of resolving the above-captioned investigation and Application and is not intended to be used for any other purpose.

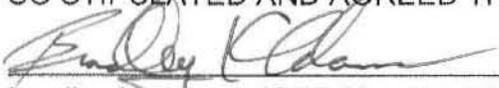
3. The Application submitted by Mr. Adams for registration as a broker-dealer agent with the Division shall be granted on the condition that Mr. Adams not serve in a supervisory capacity for a period of two (2) years following the date of entry of this Special Stipulation Agreement and Order.

SO STIPULATED AND ORDERED THIS 8th DAY OF April, 2011.



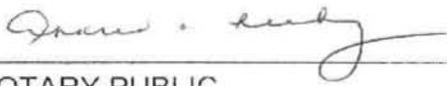
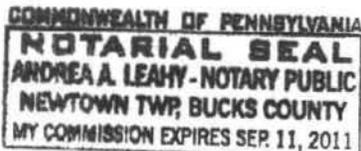
Peter O. Jamison, III
Securities Commissioner
State of Delaware

SO STIPULATED AND AGREED THIS 30 DAY OF 03, 2011.



Bradley K. Adams (CRD No. 1261791)

SWORN TO AND SUBSCRIBED BEFORE ME this 30th day of MARCH, 2011.



NOTARY PUBLIC