

BEFORE THE SECURITIES COMMISSIONER  
OF THE STATE OF DELAWARE

IN THE MATTER OF: )  
)  
WILLIAM N. WHELEN, JR. )  
(CRD No. 464658), SIMON SECURITIES, )  
INC. (CRD No. 16746), WILLIAM J. ) Case No. 98-05-06  
BYRD, III (CRD No. 1070846), and )  
EMERSON PEPPER, )  
)  
)  
Respondents. )

DEFAULT ORDER

WHEREAS, the Division has moved the Hearing Officer for a default order against Respondent Pepper; and

WHEREAS, there appears to be sufficient grounds for such an order;

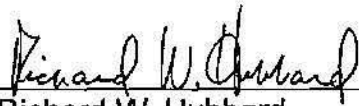
NOW THEREFORE, IT IS HEREBY ORDERED this 27<sup>th</sup> day of  
January, 1999, ~~1998~~ as follows:

1. Mr. Pepper is deemed to be in default.
2. All of the factual allegations that are specifically set forth in counts four, five, six, eight, ten, twelve, and thirteen in the Division's complaint are deemed to be true.
3. On the basis of the above findings of fact, the statutory provisions cited by the Division in its complaint, and Mr. Pepper's default, it is hereby ordered as follows:

(a) Mr. Pepper shall make restitution to Restitution  
shall equal \$50,000.00 (the amount that the invested with Mr. Pepper) plus  
interest (calculated at the legal rate of interest) accruing from July 6, 1993 to the date of  
this order, offset by any interest payments that the have already received on

the \$50,000.00. Interest shall not be deemed to have accrued for any period of time during which the [redacted] had possession of the \$50,000.00 at issue here. Mr. Pepper shall satisfy his obligation to make restitution by delivering to the Delaware Division of Securities, within thirty (30) days of the date of this order, a certified check in an amount as determined herein and made payable to the "State of Delaware." Within a reasonable period of time after receipt of said check, the Division shall remit to the [redacted] the restitution as calculated herein.

(b) Mr. Pepper shall pay a fine to the State of Delaware in the amount of \$70,000.00. Mr. Pepper shall satisfy his obligation to pay said fine by delivering, within thirty (30) days of the date of this order, a certified check to the Delaware Division of Securities in the amount of \$70,000.00 made payable to the "State of Delaware."

  
Richard W. Hubbard  
Administrative Hearing Officer