

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 74206 / February 4, 2015

INVESTMENT ADVISERS ACT OF 1940
Release No. 4018 / February 4, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16372

In the Matter of

Douglas E. Hampton,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Douglas E. Hampton (“Hampton” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Sections III.1., III.2., III.3., III.4. and III.5. below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that

1. Hampton was a registered representative and investment adviser representative associated with First Allied Securities, Inc. and First Allied Advisory Services, Inc. First Allied Securities, Inc. is registered with the Commission as a broker-dealer and investment adviser, and is headquartered in San Diego, California. First Allied Advisory Services, Inc. is an investment adviser registered with the Commission, and is headquartered in Chesterfield, Missouri. Hampton is 40 years old and a resident of Canton, Ohio.

2. On August 13, 2013, Hampton pled guilty to conspiracy to commit federal program bribery, honest services wire fraud, and money laundering, in violation of Title 18 United States Code, Sections 371 before the United States District Court for the Southern District of Ohio, in United States v. Douglas E. Hampton, Case No. 2:13-CR-180.

3. The count of the criminal information to which Hampton pled guilty alleged, inter alia, that Hampton willfully became a member of a conspiracy to, among other things: solicit benefits or accept things of value, and gave things of value, with the intent to influence and be influenced in connection with securities transactions; knowingly participated in a scheme to defraud the public, through material misrepresentations, false statements, false pretenses, or concealment of fact, of its right to the honest services of a public official through bribery or kickbacks transmitted by means of wire communication in interstate commerce; and engaged in monetary transactions involving property from unlawful activity which he knew to be criminally derived.

4. On June 30, 2014, Hampton submitted, and the Financial Industry Regulatory Authority ("FINRA") accepted, a Letter of Acceptance, Waiver and Consent ("Consent") entitled In Re: Douglas Eric Hampton, CRD No. 2797816. The FINRA Consent barred Hampton, in all capacities, from associating with any FINRA member.

5. The FINRA Consent found that Hampton, in 2009 and 2010, paid approximately \$520,000 to the Chief Financial Officer and Deputy Treasurer in the Office of the Treasurer of the State of Ohio, and two other persons, as a kickback for state brokerage business that the State directed to Hampton. The FINRA Consent also found that Hampton received over \$3 million in commissions as a result of executing 360 securities trades on behalf of accounts belonging to the Office of the Treasurer of the State of Ohio. In connection with the FINRA Consent, Hampton consented to a finding, without admitting or denying the finding, that he willfully violated Section 10(b) of the Securities Exchange Act of 1934.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Hampton's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, and Section 203(f) of the Advisers Act, that Respondent Hampton be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Hampton be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Brent J. Fields
Secretary