

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

Securities Exchange Act of 1934  
Release No. 57960 / June 12, 2008

Administrative Proceeding File No. 3-13066

IN THE MATTER OF JAMIE L. SOLOW

The Commission issued today an Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Notice of Hearing (Order) against Jamie L. Solow. The Division of Enforcement alleges in the Order that on May 14, 2008, in a matter entitled SEC v. Jamie L. Solow, Civil Action No. 06-81041-Civ-Middlebrooks (S.D. Fla.), the United States District Court for the Southern District of Florida entered a final judgment that permanently enjoined Solow from violating the antifraud provisions of Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act), Exchange Act Rule 10b-5, and Section 17(a) of the Securities Act of 1933 (Securities Act), and ordered Solow to disgorge \$3,424,788.90 in ill-gotten gains (including prejudgment interest) from his violations and to pay a civil penalty in the amount of \$2,646,485.99, based upon a jury verdict that had been returned against Solow in January 2008. The Court's order also enjoined Solow from aiding and abetting violations of various broker-dealer net capital, books and records, and reporting provisions and from attempting to register as a broker-dealer or investment adviser or being associated with or seeking to be associated with a broker-dealer or investment adviser.

The Commission's complaint alleged that in 2003, while associated as a registered representative with Archer Alexander Securities Corp. (Archer Alexander), Solow engaged in a fraudulent trading scheme involving inverse floating rate collateralized mortgage obligations (inverse floaters), a highly complex, risky, and volatile type of mortgage-backed security derivative. The Commission's complaint also alleged that during 2003 to 2006, while associated with Archer Alexander and another registered broker-dealer, SAMCO Financial Services, Inc. (SAMCO), Solow sold inverse floaters to retail investors with conservative to moderate investment objectives or low net worth for whom these complicated, volatile, and risky securities were unsuitable investments. Solow defrauded his customers by grossly understating the risks of investing in inverse floaters.

A hearing before an administrative law judge will be scheduled to determine whether the allegations in the Order are true, to provide Solow an opportunity to establish any defenses to these allegations, and to determine what, if any, remedial action is appropriate in the public interest. The Order directed the Administrative Law Judge to issue an initial decision within 210 days from the date of service of the Order.