

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 63450 / December 7, 2010

INVESTMENT ADVISERS ACT OF 1940
Release No. 3120 / December 7, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-14152

<p>In the Matter of</p> <p style="text-align:center">Douglas Lee Campbell,</p> <p>Respondent.</p>
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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 Lee Campbell (“Campbell” 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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2 below, which are admitted, Respondent 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. Campbell, from June 1998 through August 2002, served as a dual officer of Banc of America Securities LLC (“BAS”) and Bank of America, N.A (“BANA”).¹ BAS, a Delaware limited liability corporation with its principal place of business in New York, New York, was registered with the Commission as a broker-dealer pursuant to Section 15(b) of the Exchange Act and as an investment adviser pursuant to Section 203(c) of the Advisers Act.² BANA is a federally-chartered commercial bank with its principal place of business in Charlotte, North Carolina. During the relevant period, Campbell worked in BofA’s Municipal Reinvestment and Risk Management Group (the “Desk”) as a Senior Vice President and a marketer of investment agreements and other municipal finance contracts. In that role, Campbell focused on selling derivative products associated with the issuance of municipal debt. From June 1998 through approximately September 2001, Campbell worked at BofA’s offices located in Charlotte and, from approximately September 2001 through approximately August 2002, worked at BofA’s offices in New York. Campbell, age 45, is a resident of New York, New York.

2. On September 9, 2010, in United States v. Douglas Lee Campbell, Criminal No. 10-cr-803, Campbell pled guilty to two counts of conspiracy in violation of 15 U.S.C. § 1 and 18 U.S.C. § 371, respectively, and to one count of wire fraud in violation of 18 U.S.C. § 1343 before the United States District Court for the Southern District of New York. Campbell is currently scheduled to be sentenced on January 28, 2011.

3. The criminal information to which Campbell pled guilty charged, among other things, that Campbell engaged in fraudulent misconduct in connection with the competitive bidding process for the selection of the firms to provide instruments in which municipal issuers, in accordance with federal tax laws and regulations, temporarily invested the proceeds of tax-exempt municipal bonds. More specifically, the information charged that, from as early as 1998 until approximately September 2005, Campbell conspired to allocate and rig bids for investment agreements or other municipal finance contracts, in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1. The information further charged that, from as early as 1998 until approximately September 2005, Campbell, in violation of 18 U.S.C. § 371, conspired to defraud the United States and an agency thereof, the Internal Revenue Service of the United States Department of Treasury (“IRS”), by impeding, impairing, obstructing, and defeating the lawful government functions of the IRS in the ascertainment, computation, assessment, and collection of revenue due and owing from municipal issuers and in exercising its responsibilities to monitor compliance with Treasury regulations related to tax-exempt municipal bonds. In addition, the information charged that

¹ BAS and BANA will be referred to jointly as “BofA”. During the relevant period, both entities were wholly-owned subsidiaries of Bank of America Corporation (“BAC”), a Delaware corporation with its principal place of business in Charlotte, North Carolina. BAC is a bank holding company and a financial holding company, registered under the Bank Holding Company Act of 1956, as amended.

² On November 1, 2010, BAS was merged into Merrill Lynch, Pierce, Fenner & Smith Incorporated, an indirect wholly-owned subsidiary of BAC that is registered with the Commission as a broker-dealer.

Campbell and other persons known and unknown devised a scheme and artifice to defraud municipal issuers and to obtain money and property from these municipal issuers by means of false and fraudulent pretenses, representations and promises and for the purposes of executing such scheme and artifice transmitted and caused to be transmitted via interstate wire transfer a payment of approximately \$6,276,912.57 to a state development authority, which payment included principal and interest, the latter of which was artificially determined and suppressed, in violation of 18 U.S.C. § 1343.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Campbell'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 Campbell be, and hereby is barred from association with any broker, dealer or investment adviser.

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.

Respondent acknowledges that the Commission is not imposing a civil penalty based upon his cooperation in a Commission investigation and related enforcement action. If at any time following the entry of the Order, the Division of Enforcement ("Division") obtains information indicating that Respondent knowingly provided materially false or misleading information or materials to the Commission or in a related proceeding, the Division may, at its sole discretion and without prior notice to the Respondent, petition the Commission to reopen this matter and seek an order directing that the Respondent pay a civil money penalty. Respondent may not, by way of defense to any resulting administrative proceeding, contest the findings in the Order.

By the Commission.

Elizabeth M. Murphy
Secretary

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings, Pursuant to Sections 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"), on the Respondent, Douglas Lee Campbell, and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray
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