

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 69627 / May 23, 2013**

**INVESTMENT COMPANY ACT OF 1940**  
**Release No. 30540 / May 23, 2013**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-15049**

**In the Matter of**

**NEIL M.M. MORRISON**

**Respondent.**

**ORDER MAKING FINDINGS AND  
IMPOSING REMEDIAL SANCTIONS  
AND A CEASE-AND-DESIST ORDER  
PURSUANT TO SECTIONS 15(b)(6),  
15B(c)(4) and 21C OF THE SECURITIES  
EXCHANGE ACT OF 1934, AND  
SECTION 9(b) OF THE INVESTMENT  
COMPANY ACT OF 1940**

**I.**

On September 27, 2012, the Securities and Exchange Commission (“Commission”) instituted administrative and cease-and-desist proceedings pursuant to Sections 15(b)(6), 15B(c)(4) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”), and Section 9(b) of the Investment Company Act of 1940 (“Investment Company Act”) against Neil M.M. Morrison (“Morrison” or “Respondent”).

**II.**

In response to these proceedings, Respondent has submitted an Offer of Settlement (“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, which are admitted, Respondent consents to the entry of this Order Making Findings and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Sections 15(b)(6), 15B(c)(4) and 21C of the Securities Exchange Act of 1934, and Section 9(b) of the Investment Company Act of 1940 as to Neil M.M. Morrison (“Order”) as set forth below.

### III.

On the basis of this Order and the Respondent's Offer, the Commission finds that:<sup>1</sup>

#### Summary

These proceedings involve a "pay-to-play" scheme conducted by Neil M.M. Morrison ("Morrison"), a former vice president in the investment banking division of Goldman, Sachs & Co. ("Goldman Sachs"), a broker-dealer and registered municipal securities dealer. The scheme, which lasted from November 2008 to October 2010, resulted in violations of the Municipal Securities Rulemaking Board's ("MSRB") Rules by both Morrison and Goldman Sachs. Starting in July 2008, Morrison was employed by Goldman Sachs to solicit municipal underwriting business from, among others, the Massachusetts Treasurer's Office. During the period November 2008 to October 2010, however, Morrison was also substantially engaged in the political campaigns, including the November 2010 Massachusetts gubernatorial campaign, for Timothy P. Cahill ("Cahill"), the then-Treasurer of Massachusetts.<sup>2</sup> Morrison participated extensively in Cahill's gubernatorial campaign and did so at times from his Goldman Sachs office, during his Goldman Sachs work hours and using Goldman Sachs resources, such as phones, e-mail and office space. Morrison's campaign work gave him complete access to Cahill and his staff, who often provided him with information about the office's internal deliberations involving underwriter selection.

Morrison's campaign activities during his Goldman Sachs work hours and use of Goldman Sachs resources constituted valuable undisclosed "in-kind" campaign contributions to Cahill attributable to Goldman Sachs. In addition, during the same period, Morrison circumvented the pay-to-play rules by making an indirect contribution to the Cahill campaign through another person in violation of MSRB Rule G-37(d). Moreover, Morrison solicited campaign contributions for Cahill when Goldman Sachs was engaged in or seeking to engage in municipal underwriting business with the Treasurer's Office in willful violation of MSRB Rule G-37(c).

Within two years of these campaign contributions, Goldman Sachs engaged in municipal securities business with issuers associated with Cahill as Treasurer of Massachusetts and as a candidate for Governor of Massachusetts. Goldman Sachs' engagement in municipal securities business with these issuers violated Section 15B(c)(1) of the Exchange Act and MSRB Rule G-37(b).<sup>3</sup> Morrison caused Goldman Sachs to violate Rule G-37(b). The contributions were not

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<sup>1</sup> The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

<sup>2</sup> In addition to Cahill's gubernatorial campaign, between November 2008 and September 2009, Morrison worked on Cahill's re-election campaign for Treasurer of Massachusetts.

<sup>3</sup> Rule G-37(b) is a broad prophylactic measure. It provides that no broker, dealer or municipal securities dealer shall engage in municipal securities business with an issuer within two years after any contribution to an official of such issuer made by: (A) the broker, dealer or

disclosed on MSRB Forms G-37, and no records of the contributions were made and kept in violation of MSRB Rules G-37(e), G-8 and G-9. Morrison caused Goldman Sachs to violate MSRB Rules G-37(e), G-8 and G-9. In addition, Morrison did not disclose the attributed contributions, or campaign work or the conflicts of interest raised by this conduct in the bond offering documents. By failing to disclose the campaign work, cash and in-kind contributions and the resulting conflict of interest to the purchasers of municipal securities, Morrison willfully violated MSRB Rule G-17, which requires broker-dealers to deal fairly and not engage in any deceptive, dishonest, or unfair practice.

### **Respondent**

1. Morrison was a vice president in Goldman Sachs' investment banking division in one of the firm's Boston, Massachusetts offices between July 14, 2008 and December 19, 2010. Morrison was also a registered representative associated with Goldman Sachs, a registered broker-dealer and municipal securities dealer. Morrison, 38 years old, is a resident of Taunton, Massachusetts.

### **Other Relevant Entity**

2. Goldman, Sachs & Co., a New York limited partnership with its principal offices in New York, New York, is a registered broker-dealer pursuant to Section 15(b) of the Exchange Act and a municipal securities dealer as defined in Sections 3(a)(30) and 3(a)(31) of the Exchange Act. Goldman Sachs, a limited partnership, is a subsidiary of The Goldman Sachs Group, Inc., a Delaware corporation with common stock that is registered with the Commission pursuant to Section 12(b) of the Exchange Act and is listed on the New York Stock Exchange.

### **Background**

3. Between July 2008 and October 2010, Morrison engaged in activities that constituted solicitation of municipal securities business from certain issuers on behalf of Goldman Sachs. In addition, Morrison was listed on Goldman Sachs' list of municipal finance professionals ("MFP") during his employment with the firm. As a result, Morrison was an MFP associated with Goldman Sachs within the meaning of MSRB Rule G-37.<sup>4</sup>

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municipal securities dealer; (B) any municipal finance professional associated with such broker, dealer or municipal securities dealer; or (C) any political action committee controlled by the broker, dealer or municipal securities dealer or by any municipal finance professional. A violation of Rule G-37(b) does not require a showing of "quid pro quo" (i.e. that municipal securities business was actually given in exchange for the contribution.).

<sup>4</sup> Rule G-37(g)(iv)(B) provides that "the term 'municipal finance professional' [includes] . . . any associated person [of a broker, dealer or municipal securities dealer] who solicits municipal securities business." Morrison solicited municipal securities business by attending meetings with issuer staff, which were intended to obtain municipal securities business with the issuer and by communicating with issuer staff about Goldman Sachs' underwriting capabilities. In addition, Morrison engaged in municipal securities solicitation activities by, among other things, signing cover letters attached to responses to requests for qualifications ("RFQ") for underwriting business and by having his name appear in the

4. As the Treasurer of Massachusetts and candidate for Governor of Massachusetts, Cahill was an “official” of various municipal securities issuers in Massachusetts within the meaning of Rule G-37.<sup>5</sup> Specifically, as Treasurer of Massachusetts, Cahill was an incumbent who was responsible for, or had the authority to appoint persons who were responsible for, the hiring of brokers, dealers, or municipal securities dealers for municipal securities business by the Commonwealth of Massachusetts and certain related state issuers, including the Massachusetts Water Pollution Abatement Trust and Massachusetts School Building Authority. As candidate for Governor of Massachusetts, Cahill was a candidate for elective office which has authority to appoint persons who are directly or indirectly responsible for, or can influence the outcome of, the hiring of a municipal securities dealer for municipal securities business of certain issuers, including the Massachusetts Housing Finance Authority, Massachusetts Bay Transportation Authority, Massachusetts Health and Education Facilities Authority, and Massachusetts Water Resources Authority. The issuers listed in this paragraph are hereafter referred to collectively as “Issuers.”

### **Morrison Worked Extensively on Cahill’s Campaigns Using Goldman Sachs Resources**

5. Starting at least as early as November 2008, Morrison began actively assisting with Cahill’s re-election campaign for Treasurer of Massachusetts by soliciting contributions for fundraisers and arranging for others to solicit contributions for Cahill. Thereafter, between July 2009 and September 2009, Morrison’s campaign work focused on assisting the campaign to prepare for Cahill’s eventual bid for Governor of Massachusetts. This assistance included interviewing campaign consultants, preparing and reviewing campaign documents, participating on campaign conference calls, and attending campaign meetings during Goldman Sachs work hours.

6. On September 9, 2009, Cahill officially announced his candidacy for Governor of Massachusetts. Thereafter, Morrison’s campaign work increased dramatically, including the number of campaign telephone calls made during work hours and the number of e-mails that he sent using his Goldman Sachs’ e-mail account. Starting in September 2009, Morrison became one of Cahill’s most trusted campaign advisers. As described below, he was involved in, and used Goldman Sachs resources for, numerous significant aspects of the campaign, including

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responses to the RFQs as a member of Goldman Sachs’ underwriting team. Either one of these solicitation activities by itself was sufficient to make him an MFP. See John F. Kendrick, Exchange Act Release No. 62500 (July 14, 2010).

<sup>5</sup> Rule G-37(g)(vi) defines an “official of such issuer” as any person who was, at the time of the contribution, an incumbent, candidate or successful candidate: (A) for elective office of the issuer which office is directly or indirectly responsible for, or can influence the outcome of, the hiring of a broker, dealer or municipal securities dealer for municipal securities business by the issuer; or (B) for any elective office of a state or of any political subdivision, which office has authority to appoint any person who is directly or indirectly responsible for, or can influence the outcome of, the hiring of a broker, dealer or municipal securities dealer for municipal securities business by an issuer.

interviewing at least one representative of a possible running mate in his Goldman Sachs office, negotiating campaign contracts and accepting contract terms on behalf of the campaign during Goldman Sachs' work hours and/or using Goldman Sachs' telephones and e-mail.

7. Morrison's work for Cahill's campaign during his Goldman Sachs' work hours was broad. Between September 2009 and October 4, 2010, Morrison engaged in (a) fundraising; (b) drafting speeches and fundraising solicitations; (c) reviewing, approving and writing campaign memos, contracts, letters, talking points, campaign position papers, and responses to campaign issues; (d) attending and preparing for press conferences; (e) approving campaign invoices and expenditures; (f) approving personnel decisions, such as salaries and hiring; (g) negotiating with campaign personnel; (h) arranging advertisements and commercials; (i) communicating with reporters on behalf of the campaign; (j) reviewing the campaign's budget; (k) recruiting supporters; (l) reviewing campaign leases for office space; (m) selecting county representatives; (n) interviewing consultants; (o) drafting campaign plans and quotations; (p) providing legal advice; and (q) assisting with debates. In engaging in these actions, Morrison at times used his Goldman Sachs e-mail account, phone and other resources and did so during ordinary work hours. During the thirteen-month period, September 9, 2009 to October 4, 2010, Morrison sent at least 364 campaign-related e-mails using his Goldman Sachs e-mail account.

**Morrison Actively Solicited Underwriting Business and Attempted to Exert Influence on the Underwriter Selection Process**

8. At the same time Morrison was working on Cahill's campaign, he was actively soliciting municipal securities business from the Cahill Treasurer's Office. At times, Morrison referenced his campaign work in those solicitations.

9. For example, on September 29, 2009, Morrison sent an e-mail using his Goldman Sachs e-mail account to a Deputy Treasurer discussing the selection of underwriters. In this e-mail Morrison stated:

The boss [Cahill] mentioned to me this morning that he spoke to [the Assistant Treasurer] and that it is looking good for us [Goldman Sachs] on the build America bond deal. He then said that you would probably split it up with 2 joint bookrunners. I am ok with that if that's what you want. I actually think it will be good because it enables the boss [Cahill] to handsomely reward someone else.

10. In the same e-mail exchange, apparently referencing the upcoming election, Morrison went on to say:

From my standpoint as an advisor/consultant/friend I am saying, PLEASE don't give these [underwriter] slots away willy-nilly. You are in the fight of your lives and need to reward loyalty and encourage friendship. If people aren't willing to be creative with their support then they shouldn't expect business. This has to be a political decision.

11. In another e-mail dated September 28, 2009, to the Deputy Treasurer, Morrison again linked his campaign work and his solicitation for underwriting business:

I have a couple of items that I want to put out there in the interest of leaving nothing unsaid.

1. We have discussed the Build American Bond transaction and how important it is to me. You have been great keeping me up to speed. This is my number 1 priority and most important ask. Having Goldman as the lead and getting 50% of the economics would be such a home run for me.

2. There is a Taunton/Southeastern Mass function for the boss [Cahill] coming up. It looks like it will be on Oct. 26.

3. In the event that [a local municipal securities dealer] were going to have a role in the Build American Bond deal, it might be beneficial to tell me that before the local banker there. She might be more interested in being more supportive. HAVING SAID THAT, I am only pushing for number 1 above. This would help number 2, (and certainly help that banker) but I am not so aggressive as to push for more than myself at this point.

12. Morrison knew about the restrictions in Rule G-37. Specifically, Morrison was trained about the restrictions in Rule G-37 by Goldman Sachs and received numerous notices about compliance with the MSRB's rules. For example, on December 18, 2008 and October 20, 2009, Goldman Sachs' compliance office sent e-mails to Morrison containing the firm's policies and procedures relating to campaign contributions, which included, among other things, a prohibition on using firm resources, such as e-mail and office space, for political activities. In addition, the policies and procedures provided that a violation of this policy can result in the firm being disqualified from municipal securities business for two years. Moreover, the policies and procedures explained that MSRB Rule G-37 prohibits MFPs from using conduits to contribute indirectly to issuers and that a violation of this policy can lead to a two-year prohibition on municipal securities business. On September 21, 2010, Morrison certified to Goldman Sachs that he reviewed the firm's policies and procedures relating to Political Contributions and Activities and that he had disclosed to the firm all political contributions and political activities since January 1, 2009. Morrison also admitted in two e-mails on May 29, 2009 and April 2, 2010 that he had familiarity with Rule G-37.

13. In addition, during an interview with Morrison, he admitted to Goldman Sachs' compliance officials that he sent campaign-related e-mails and helped the Cahill campaign using firm resources and during work hours. Moreover, Morrison admitted to the compliance officials that he was uncomfortable helping Cahill because of the negative impact on Goldman Sachs.

## **Morrison's Conduct Disqualified Goldman Sachs from Underwritings**

14. From November 25, 2008 to October 4, 2010, each instance of Morrison's extensive campaign work during work hours or using firm resources constituted valuable "in-kind" campaign contributions to Cahill attributable to Goldman Sachs.

15. On October 26, 2009, Morrison provided \$400 in cash to an individual at a Cahill fundraiser who, in turn, made a campaign contribution for \$500 rather than \$100. The \$400 was above the \$250 *de minimis* exception provided in Rule G-37. By providing \$400, Morrison violated Rule G-37(d), which prohibits a municipal securities dealer or any MFP from doing any act indirectly which would result in a violation of the rule if done directly by the dealer or MFP.<sup>6</sup>

16. Under Rule G-37, Morrison's indirect contribution and each "in-kind" contribution attributable to Goldman Sachs, starting on November 25, 2008 and ending on October 4, 2010, triggered a two-year ban on municipal securities business with the Issuers.

17. Despite the prohibitions contained in Rule G-37, within two years after the above contributions, Goldman Sachs, with Morrison's knowledge, participated as senior manager, co-senior manager, or co-manager for a total of thirty negotiated underwritings by the Issuers totaling approximately \$9 billion. For its roles in the thirty underwritings, Goldman Sachs received fees in the amount of \$7,558,942.

18. The "in-kind" contributions attributable to Goldman Sachs and the indirect cash contribution by Morrison were not disclosed as required in Goldman Sachs' quarterly reports to the MSRB on Form G-37. In addition, Goldman Sachs did not make and keep books and records of the contributions.

19. The indirect contribution by Morrison and the undisclosed "in-kind" contributions attributable to Goldman Sachs also created a conflict of interest which was not disclosed in the relevant municipal securities offerings, in violation of MSRB Rule G-17. In a July 29, 2009 e-mail to a campaign official, Morrison acknowledged the existence of this conflict, stating:

I am staying in banking and don't want a story that says that I am helping Cahill, who is giving me banking business. If that came out, I'm sure I wouldn't get any more business.

## **Morrison Solicited Campaign Contributions for Cahill**

20. Between November 25, 2008 and October 5, 2010, Morrison also solicited campaign contributions for Cahill by engaging in fundraising activities, including asking or

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<sup>6</sup> A *de minimis* exception to Rule G-37(b) allows an MFP to contribute up to \$250 per candidate per election if the MFP is entitled to vote for the candidate. Cahill's gubernatorial election was held on November 2, 2010.

telling others to make contributions, asking others to coordinate the collection of contributions, sending e-mails with fundraising information, and providing fundraiser tickets to potential contributors for self-use or to re-distribute to others.

21. Specifically, on November 25, 2008, Morrison used Goldman Sachs' e-mail system to solicit contributions by asking a friend to contribute to a Cahill fundraising event. In this e-mail, Morrison told his friend to make a contribution for a December 1, 2008, fundraiser. In addition, Morrison engaged in coordinating contributions by instructing at least three others to find contributors or to sell tickets for fundraisers. For example, in November 2008 and September 2009, Morrison asked a friend to help find contributors for two Cahill fundraisers. In another example, on October 8, 2009, Morrison sent an e-mail using Goldman Sachs' e-mail system to a state treasury employee regarding an October 2009 fundraiser for Cahill. In this e-mail, Morrison stated:

Very regretfully, I have to reach out to you again regarding the Treasurer's event...If you could do anything by way of tickets it would be very helpful and would probably be a good idea for you. The tickets have a face value of ...\$100 but you can sell them for \$50 each. I really dislike relaying this type of information and I know its not easy for anyone.

22. In addition, Morrison solicited contributions by sending fundraising literature and information, in the form of e-mails, to others. The e-mail solicitations, some of which were sent using Goldman Sachs' e-mail system, referenced, among other things, the fundraiser date, time, location and suggested contribution amounts. Moreover, Morrison solicited or coordinated contributions by providing fundraising tickets to others for self-use or to re-distribute to others. For example, around October 2009, Morrison told a friend that Cahill would be having a local fundraiser and that a campaign representative would contact him. Shortly thereafter, Morrison provided the friend with an envelope containing 10 tickets to an October 2009 fundraiser. The friend used one of the tickets himself and provided another to a friend (both contributed \$100).

23. During each of Morrison's solicitations, Goldman Sachs was engaged in municipal securities business with the Massachusetts Treasurer's Office by being selected as an underwriter for Massachusetts municipal securities offerings and seeking to engage in municipal securities business by responding to two Requests for Qualifications by the Massachusetts Treasurer's Office, which were valid or active for two year periods. Therefore, Goldman Sachs was engaged in or seeking to engage in municipal securities business with the Massachusetts Treasurer's Office during Morrison's solicitation activities.

24. Morrison devoted a significant amount of time to fundraising for the Cahill campaign and his e-mails reflected this. For example, in an October 15, 2009, e-mail to a friend, Morrison stated "I am pushing hard on fundraising and recruiting supporters." In addition, in an October 19, 2009, e-mail to a family member, Morrison stated:

I am starting to feel better but I will be happy when this fundraiser is over, as it is adding stress and combined with work and home, is wearing me out.



25. By soliciting or coordinating campaign contributions for Cahill when Goldman Sachs was seeking to engage in municipal securities business with the Treasurer's Office, Morrison violated Rule G-37(c).

### **Violations**

26. As a result of the conduct described above, Morrison willfully aided and abetted and caused Goldman Sachs' violations of MSRB Rule G-8, which requires brokers, dealers and municipal securities dealers to make and keep current records reflecting all direct and indirect contributions to officials of issuers made by the broker, dealer, municipal securities dealer and each municipal finance professional.

27. As a result of the conduct described above, Morrison willfully aided and abetted and caused Goldman Sachs' violations of MSRB Rule G-9, which requires brokers, dealers and municipal securities dealers to preserve records reflecting all direct and indirect contributions to officials of issuers made by the broker, dealer, municipal securities dealer and each municipal finance professional for six years.

28. As a result of the conduct described above, Morrison willfully violated MSRB Rule G-17, which states that in the conduct of its municipal securities business, every broker, dealer and municipal securities dealer shall deal fairly with all persons and shall not engage in any deceptive, dishonest, or unfair practice.

29. As a result of the conduct described above, Morrison willfully aided and abetted and caused Goldman Sachs' violations of MSRB Rule G-37(b), which prohibits brokers, dealers or municipal securities dealers from engaging in municipal securities business with an issuer within two years after any contribution to an official of such issuer made by (i) the broker, dealer or municipal securities dealer; (ii) any municipal finance professional associated with such broker, dealer or municipal securities dealer; or (iii) any political action committee controlled by the broker, dealer or municipal securities dealer or by any municipal finance professional, unless the contribution is exempt.

30. As a result of the conduct described above, Morrison willfully violated MSRB Rule G-37(c), which prohibits, among other things, brokers, dealers, municipal securities dealers or any municipal finance professional of the broker, dealer or municipal securities dealer from soliciting any person to make any contributions or coordinating any contributions to an official of an issuer with which the broker, dealer or municipal securities dealer is engaging or is seeking to engage in municipal securities business.

31. As a result of the conduct described above, Morrison willfully violated MSRB Rule G-37(d), which prohibits, brokers, dealers or municipal securities dealers or any municipal finance professional from, directly or indirectly, through or by any other person or means, doing any act which would result in a violation of sections (b) or (c) of Rule G-37.

32. As a result of the conduct described above, Morrison willfully aided and abetted and caused Goldman Sachs' violations of MSRB Rule G-37(e), which requires brokers, dealers, or municipal securities dealers to file quarterly reports with the MSRB disclosing all direct and indirect contributions, exceeding the *de minimis* amount, to any official of a municipal securities issuer made by, among others, the broker, dealer, municipal securities dealer and each municipal finance professional associated with such broker, dealer, or municipal securities dealer.

33. As a result of the conduct described above, Morrison willfully aided and abetted and caused Goldman Sachs' violations of Section 15B(c)(1) of the Exchange Act, which prohibits a broker, dealer or municipal securities dealer from using the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any municipal security in contravention of any rule of the MSRB.

#### IV.

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

Accordingly, pursuant to Sections 15(b)(6), 15B(c)(4), 21B and 21C of the Exchange Act and Section 9(b) of the Investment Company Act, it is hereby ORDERED that:

A. Respondent Morrison shall cease and desist from committing or causing any violations and any future violations of Section 15B(c)(1) of the Exchange Act, MSRB Rule G-8, MSRB Rule G-9, MSRB Rule G-17, MSRB Rule G-37(b), MSRB Rule G-37(c), MSRB Rule G-37(d), and MSRB Rule G-37(e).

B. Respondent Morrison 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;

prohibited from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter; and

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,

with the right to apply for reentry after five (5) years to the appropriate self-regulatory organization, or if there is none, to the Commission.

C. 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.

D. Respondent shall pay a civil money penalty in the amount of \$100,000 to the Securities and Exchange Commission. Morrison shall make payment of this penalty in two installments of \$50,000. Morrison shall pay the first installment of \$50,000 within 10 days of the entry of this Order. Of this first installment payment of \$50,000, the Securities and Exchange Commission shall transfer \$25,000 to the Municipal Securities Rulemaking Board in accordance with Section 15B(c)(9)(A) of the Exchange Act and transfer the remaining \$25,000 to the United States Treasury. Morrison shall pay the second installment of \$50,000 within 365 days of the entry of this Order. Of this second installment payment of \$50,000, the Securities and Exchange Commission shall transfer \$25,000 to the Municipal Securities Rulemaking Board in accordance with Section 15B(c)(9)(A) of the Exchange Act and transfer the remaining \$25,000 to the United States Treasury. If any payment is not made by the date the payment is required by this Order, the entire outstanding balance, plus any accrued interest pursuant to 31 U.S.C. 3717, shall be due and payable immediately, without further application. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Neil M.M. Morrison as a Respondent in these proceedings, the file number of these proceedings, a copy of which cover letter and money order or check shall be sent to Elaine C. Greenberg, Chief, Municipal Securities and Public Pensions Unit, Securities and Exchange Commission, Philadelphia Regional Office, The Mellon Independence Center, 701 Market Street Philadelphia, PA 19106-1532.

By the Commission.

Elizabeth M. Murphy  
Secretary