

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
GENE B. HARBORT

PETITION FOR ORDER

Respondent.

File No. S-02081(LX)

The staffs of the Bureaus of Licensing & Compliance and Registration & Enforcement of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats., and as a result thereof alleges as follows:

1. Gene B. Harbort ("Harbort") is a licensed securities agent (CRD #3138484) with a last known residence address at 711 N. Thompson Dr. #3, Madison, WI 53704-8948;
2. At all times material hereto, Harbort was licensed as a securities agent with Morgan Stanley Dean Witter Inc. in their Madison office;
3. During the staff's interview of Harbort on December 19, 2002, Harbort admitted to making at least one unauthorized trade in a customer's account;
4. Harbort's actions, in trading in a customer's account without authority to do so is deemed by DFI-Sec 4.06(2), Wis. Adm. Code, to be a dishonest and unethical business practice or taking unfair advantage of a customer and provides a basis, pursuant to sec. 551.34(g), Wis Stats., for the censure of an agent's license;
5. The customer's complaint, which was filed in 2002, asks for damages in excess of \$10,000;
6. On October 13, 2003, the staff sent Harbort's attorney its first proposed Petition for Order and Order in this matter clearly stating our intention to take administrative action in this matter;
7. To date, Harbort's CRD record reflects neither the investor's complaint nor the staff's proposed administrative action;
8. Harbort's actions, in failing to update his CRD record to accurately reflect the complaint and the proposed administrative action, constitute a violation of sec. 551.33, Wis. Stats., and provides a basis, pursuant to sec. 551.34(1)(b), Wis. Stats., for the censure of his license.

THEREFORE, the staffs of the Bureaus of Licensing & Compliance and Registration & Enforcement of the Division of Securities petition the Administrator for the issuance of the attached Order.

DATED this 21st of September, 2004


Helen E. Kluever
Examiner
Bureau of Licensing & Compliance


David A. Cohen
Supervising Attorney
Bureau of Registration & Enforcement