

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND**

IN THE MATTER OF: * No. 2010-0428

HARVEY L. TAYLOR and *

T. JANAL, INC., d/b/a *
WORD PROFESSIONAL INSTITUTE *

Respondents. *

* * * * *

**FINAL ORDER TO CEASE AND DESIST
ORDER OF BAR**

WHEREAS, the Maryland Securities Commissioner (the “Securities Commissioner”), pursuant to the authority granted in Section 11-701 of the Maryland Securities Act, Md. Ann. Code, Corps. & Ass’ns, §§11-101, *et seq.* (2007 Repl. Vol. & 2010 Cum. Supp.) (the “Securities Act”), initiated an investigation into the activities of Harvey L. Taylor (“Taylor”) and T. Janal, Inc. (“TJI”), d/b/a Word Professional Institute (“WPI”) (collectively, “Respondents”); and

WHEREAS, the Securities Commissioner determined that grounds existed to allege that Respondents engaged in acts or practices constituting violations of the Securities Act, including fraud in the offer and sale of securities; and

WHEREAS, the Securities Commissioner had reason to believe that Respondents were engaged in continuing violations of the Securities Act; and

WHEREAS, pursuant to Section 11-701 of the Securities Act, on March 18, 2011, the

Securities Commissioner issued a Summary Order To Cease And Desist And Order To Show Cause against Respondents (the “Summary Order”), incorporated herein by reference, requiring Respondents to show cause why: Respondents should not be barred permanently from the securities and investment advisory business in Maryland; why a civil monetary penalty should not be entered against Respondents for each violation of the Securities Act; and why a final order should not be entered ordering Respondents to cease and desist from further violations of the Securities Act; and

WHEREAS, the Summary Order gave Respondents notice of the opportunity for a hearing in this matter, provided that Respondents submitted an answer within 15 days of service of the Summary Order, including any request for a hearing, and gave notice to Respondents that failure to do so would be deemed a waiver of the right to a hearing and result in the entry of a final order; and

WHEREAS, the Securities Division attempted to personally serve Respondents at Respondent Taylor’s last known residential address, however service was unable to be effected; and

WHEREAS, a copy of the Summary Order was forwarded to Respondents’ last known residential and business addresses, via certified mail, return receipt; and

WHEREAS, State Department of Assessment and Taxation records reflect that the residential address used in the attempted personal service of the Summary Order, and the actual service of the Summary Order via certified mail, is owned by Respondent Taylor; and

WHEREAS, the Summary Order served on Respondents at their business address, a postal box in Bowie, Maryland, was claimed by a “J. Kim” on April 22, 2011; and

WHEREAS, the Summary Order served on Respondents at Respondent Taylor's residential address was returned to the Securities Division as unclaimed after a notice was left by the postal service on March 30, 2011; and

WHEREAS, the Summary Order was publicly posted on the Securities Division's website shortly after its issuance; and

WHEREAS, Respondents have neither answered the Summary Order nor requested a hearing; and

WHEREAS, the Securities Commissioner has determined that it is in the public interest to issue this Final Order.

NOW, THEREFORE, THE SECURITIES COMMISSIONER FINDS AND ORDERS:

I. JURISDICTION AND VENUE

1. The Securities Commissioner has jurisdiction in this proceeding pursuant to Section 11-701.1 of the Securities Act.

II. RESPONDENTS

2. Respondent Taylor is a Maryland resident, and has taught at Howard University.

3. Respondent Taylor at one time was a practicing attorney and member of the District of Columbia Bar, however, in 1985 he was suspended for two months, and since that time he has not been a member of that bar. According to the D.C. Bar's website, Respondent Taylor's suspension was for "neglect, handling a matter for which he was not competent, and engaging in misrepresentation to Bar Counsel." Respondent Taylor is not a member of the

Maryland State Bar.

4. Respondent Taylor is not now, nor has he ever been, registered in Maryland as a broker-dealer or broker-dealer agent, or investment adviser or investment adviser representative.

5. Respondent Taylor conducts or in the past has conducted business as “Word Professional Institute.” Respondent Taylor purported that WPI was a wholly-owned subsidiary of TJI, and that it was a paralegal training program offering independent study in Bowie, Maryland.

6. Respondent TJI is a company wholly-owned by Respondent, chartered in Maryland in 1999. TJI’s Maryland corporate charter was forfeited, however, in 1994.

7. The records of the Securities Division reflect that Harvey Taylor is not now, nor has he ever been, registered in Maryland as a broker-dealer agent, nor has “Word Professional Institute,” “T. Janal” or “Hanal” ever been registered in Maryland as a broker-dealer. *See* Ex. A, Affidavit of Kelvin M. Blake.

8. The records of the Securities Division reflect that there is no record of any securities registration, or claim of exemption or status as federal-covered securities issued under the name “Harvey Taylor,” “H.L. Taylor,” “Word Professional Institute,” “T. Janal,” or “Hanal,” nor is there any record of any issuer agent registration for “Harvey Taylor. *See* Ex. B, Affidavit of Joy Sakamoto-Wengel.

III. FINDINGS OF FACT

9. In 2003, Respondent Taylor was teaching at Howard University as an adjunct professor. M.S. was a student in one of Respondent Taylor’s classes.

10. Respondent Taylor approached M.S. about an investment opportunity in TJI d/b/a WPI. He provided M.S. with promotional materials including an “Overview” of WPI. The Overview stated that WPI was a “wholly owned subsidiary of T. JANAL, INC., a commercial entity incorporated in the State of Maryland.” .

11. The Overview listed the company’s “STRENGTHS,” claiming that its administration by Respondent Taylor, and its location and future accreditation by various government agencies, made it a worthy investment. The Overview advised individuals: “!!! DO INVEST IN WPI !!!” (emphasis in original).

12. In reliance upon the investment materials provided by Respondents, and respectful of Respondent Taylor’s affiliation with Howard University, M.S. invested \$182,000 in WPI. Respondents provided M.S. with a promissory note dated October 21, 2003, in the amount of \$182,000, promising to pay principal and 10% annual interest on or before October 30, 2010.

13. M.S. shared with individuals working in the Dean’s Office at Howard University that he had invested monies with Respondents. Those individuals recommended that he have the promissory note notarized. Consequently, M.S. obtained from Respondents a second note, dated February 20, 2004. The second note was notarized.

14. The second note verified that it “replaces and completely voids the previously executed PROMISSORY NOTE executed by Promissor [and] Dated 10/21/03” It stated further that “[t]his NOTE is made and delivered in Prince George’s County, Maryland and shall be governed by the laws of that jurisdiction.”

15. The second note, like the first note, contained an address for TJI and WPI of 3540 Crain Highway, No. 208, Bowie, Maryland 29716. The second note stated that the principal of

\$182,000 and 10% annual interest was due on or before December 30, 2010. Like the first note, the second note referred to M.S. as “[i]nvestor.”

16. In payment on M.S.’s investment, Respondents gave M.S. check #1006 dated December 15, 2005 for \$5,000 drawn on the M&T Bank bank account of Hanal, LLC; check #1075 dated January 28, 2005 for \$10,000 drawn on the Bank of America bank account of TJI; and check #1140 dated October 4, 2006 for \$1,000 drawn on TJI’s Bank of America account.

17. Check #1006 dated December 15, 2005 for \$5,000 drawn on the M&T Bank bank account of Hanal, LLC, was returned to M.S. for insufficient funds after he deposited it into his bank account. Respondent thereupon provided M.S. with another check drawn on a federal credit union in the amount of \$5,000. That check cleared.

18. Other than the payments described above totaling \$16,000, Respondents did not provide M.S. with any other payments of principal or interest on his \$182,000 investment with Respondents. To date, M.S. is owed principal of \$166,000 on his investment with Respondents.

19. Respondents did not provide M.S. with relevant disclosure information before he invested with Respondents as described above. No information was included regarding Respondents’ financial condition, or the risks of investing with Respondents. Nor was it disclosed that Respondent Taylor was not registered to sell securities investments.

20. In January 2003, a federal tax lien was recorded against Respondent Taylor in the Prince George’s County Circuit Court in the amount of approximately \$8,800. Respondents did not disclose to M.S. at the time he made his investment with Respondents that Respondent Taylor had been subject to a federal tax lien.

21. While Respondents’ promotional materials described Respondent Taylor as “an

experienced Litigator and Educator,” no mention was made in those materials or otherwise to M.S. that Respondent Taylor’s bar license had been suspended by the District of Columbia bar for incompetency and neglect of a client.

IV. CONCLUSIONS OF LAW

The Securities Commissioner concludes that:

22. Respondents have engaged in violations of Sections 11-301(1), (2), and (3), 11-401, and 11-501 of the Securities Act in connection with the facts stated in the Findings of Fact contained in this Order.

V. CONCLUSIONS OF LAW

NOW, THEREFORE, the Securities Commissioner finds it to be in the public interest to issue this Final Order, and IT IS HEREBY **ORDERED** THAT:

23. Respondents Harvey L. Taylor and T. Janal, Inc. d/b/a Word Professional Institute permanently cease and desist from engaging in the offer and sale of unregistered, non-exempt securities in violation of §11-501 of the Securities Act.

23. Respondents permanently cease and desist from acting as unregistered agents in violation of §11-401 of the Act.

24. Respondents permanently cease and desist from engaging in fraud in the offer and sale of securities violation of §11-301(1), (2) and (3) of the Securities Act.

25. Respondents are permanently barred from the securities and investment advisory business in Maryland.

26. Respondents are assessed a civil monetary penalty, pursuant to §11-701.1 of the Securities Act, in the amount of \$30,000, payable by certified check to the order of the Office of the Attorney General, to be offset by any amounts paid as restitution to M.S.

VI. JURISDICTION RETAINED

27. Jurisdiction is retained by the Securities Commissioner for the purposes of enabling any party to this Final Order to apply for such further orders and directions as may be necessary or appropriate for the construction or enforcement of this Order.

VII. APPEAL RIGHTS

28. Any respondent may appeal this Final Order to the appropriate Circuit Court of the State of Maryland within 30 days from the date this Final Order is mailed by the Securities Division.

DATED: June 7, 2011

**Commissioner's Signature is
on File with Original Document**

Melanie Senter Lubin
Securities Commissioner