

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF: Leonard V. Fox Jr.)
_____))

FILE NO. 1200297

CONSENT ORDER OF WITHDRAWAL

TO THE RESPONDENT: Leonard V. Fox Jr.
 115 Bortons Road
 Marlton, NJ 08053

Morgan Stanley Smith Barney
1300 Thames Street 6th Floor
Baltimore, MD USA 21231

WHEREAS, Respondent on the 18th day of October, 2012 executed a certain Stipulation to Enter Consent Order of Withdrawal (the "Stipulation"), which was incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department, dated September 5, 2012 in this proceeding (the "Notice") and Respondent has consent to the entry of this Consent Order of Withdrawal ("Consent Order").

WHEREAS, by means of the Stipulation the Respondent acknowledged, without admitting or denying the truth thereof, that the following allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1. That at all relevant times the Respondent was registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act.
2. That on May 16, 2012 FINRA entered Decision & Order of Offer of Settlement ("AWC" or "Order") submitted by the Respondent regarding Disciplinary Proceeding No. 2009020913601 which sanctioned the Respondent as follows:
 - a) suspended from association with any FINRA member in any capacity for ten (10) business days; and
 - b) fined \$2,500.

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3. That the Order found: NASD Rules 2110, 2370: Fox entered into a lending arrangement with a customer and borrowed \$10,000. Fox repaid the loan in full, including interest. Fox used the funds for personal expenditures, including costs associated with a former business venture he had with the customer. Fox, however, failed to inform his member firm of the loan or otherwise obtain its permission. Indeed, the firm's written supervisory procedures expressly prohibited its representatives from borrowing money from customers.
4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be revoked if the Secretary of State finds that such Salesperson has been suspended by any self-regulatory organization Registered under the Federal 1934 Act or the Federal 1974 Act arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory organization.
5. That FINRA is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusions of Law:

Respondent's registration as a salesperson **in the State** of Illinois is subject to revocation pursuant to Section 8.E(1)(j) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he withdrew his registration as a salesperson in the State of Illinois on September 4, 2012 and shall NOT reapply, for a period of two years thereafter.

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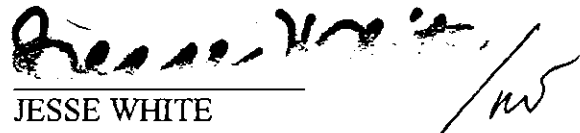
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WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

1. Respondent has acknowledged and agreed that he withdrew his registration as a salesperson in the State of Illinois on September 4, 2012 and shall NOT reapply, for a period of two years thereafter
2. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED This 24th day of October 2012.



JESSE WHITE
Secretary of State
State of Illinois

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