

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

IN THE MATTER OF: RICHARD A. CAVILEER

)
)
)
FILE NO. 1100064

CONSENT ORDER OF WITHDRAWAL

TO THE RESPONDENT: Richard A. Cavileer (CRD#:4384490)
81 Tralee Place
Staten Island, New York 10007

Richard A. Cavileer (CRD#:4384490)
C/o Brookstone Securities, Inc.
2920 Drane Field Road
Lakeland, Florida 33813

WHEREAS, Respondent on the 12th day of July 2011 executed a certain Stipulation to Enter Consent Order of Withdrawal (the "Stipulation"), which hereby is 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 May 5, 2011 in this proceeding (the "Notice") and Respondent has consented 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 January 21, 2011 FINRA entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding File No. 20080115744-02 which sanctioned the Respondent as follows:
 - a. 15-business day suspension from association with any member of FINRA in any and all capacities; and
 - b. \$10,000 fine.

3. That the AWC found:

OVERVIEW

Between February 2008 and October 2008, the Respondent charged one customer an excessive commission, effected a transaction on a discretionary basis without written authorization from that same customer, entered three unauthorized transactions in a different customer's account and entered two unauthorized transactions in a third customer's account.

FACTS AND VIOLATIVE CONDUCT

- a. On February 22, 2008, the Respondent sold 2,400 shares of RIMM (Research In Motion Ltd.) from Brecek & Young (Respondent's employing dealer) Customer AN's account. In connection with that transaction, the Respondent charged a commission of \$12,500, which is approximately 4.91% of the \$254,400 principal amount. RIMM is a NASDAQ listed security, of which approximately 21,958,900 shares were traded on February 22, 2008. The \$12,500 commission charged by the Respondent to AN was excessive and unreasonable taking into consideration the factors articulated in IM-2440-1, and constituted a violation of NASD Rules 2110 and 2440. On September 10, 2008, the commission on the trade was reduced to \$2,500.
- b. On February 21, 2008, AN authorized the Respondent to sell shares of RIMM from his Brecek & Young customer account at the prevailing market price. The Respondent executed the sale of 2,400 shares of RIMM from the account the following day on February 22, 2008. AN did not provide the Respondent with written discretionary authority. Thus, because the Respondent failed to execute the sale on the same day that he obtained authorization, he engaged in discretionary trading in violation of NASD Rules 2110 and 2510.

Consent Order of Withdrawal

3

- c. The Respondent effected the following trades in the Brecek & Young customer account of TD with regard to the following transactions: (1) the sale of 125 shares of DRYS (Dryships, Inc.) on April 22, 2008; (2) the sale of 125 shares of DRYS on April 23, 2008; and (3) the sale of 330 shares of V (Visa, Inc.) on April 29, 2008. Because TD did not authorize these transactions, the Respondent engaged in unauthorized trading in violation of NASD Rule 2110.
 - d. On September 2, 2008, the Respondent effected the following trades in the Brecek & Young customer account of PR Co., Inc. with regard to the sale of 15 contracts of HJQUX, which is a put on First Solar Common September 250, and the purchase of 15 contracts of HJQIZ, which is a call on First Solar Common September 270. Because the account holder did not authorize the above-mentioned transactions, the Respondent engaged in unauthorized trading in violation of NASD Rule 2110.
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 Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

That by virtue of the foregoing, the 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 shall cause to have his registration as a salesperson in the State of Illinois withdrawn within three (3) days from the entry of this Consent Order and will not re-apply for registration for a period of two (2) years from the entry of this Consent Order.

Consent Order of Withdrawal

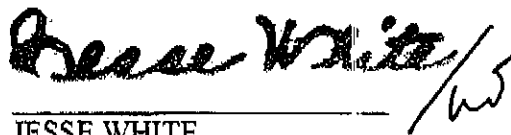
4

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. The Respondent shall cause to have his registration as a salesperson in the State of Illinois withdrawn within three (3) days from the entry of this Consent Order and will not re-apply for registration for a period of two (2) years from the entry of this Consent Order.
2. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED This 21st day of July 2011.

Handwritten signature of Jesse White in black ink, with a horizontal line underneath and the initials 'JW' to the right.

JESSE WHITE
Secretary of State
State of Illinois

Daniel A. Tunick
Enforcement Attorney
Illinois Securities Department
Office of Secretary of State
69 West Washington St.- Suite 1220
Chicago, IL 60602
Telephone: 312.793.4433
Facsimile: 312.793.1202