

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF

Joseph K. Critelli

FILE NO. 1300018

TEMPORARY ORDER OF SUSPENSION

TO THE RESPONDENT: Joseph K. Critelli (CRD# 2707711)
13 Harbour Point Drive
Woodbury, NY 11768

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, the Securities Director, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, (the "Department"), herein find:

1. That Joseph K. Critelli (the "Respondent") is an individual with a last known address of 13 Harbour Point Drive, Woodbury, NY 11768.
2. That at all times relevant hereto, Respondent was registered as a salesperson in the State of Illinois pursuant to Section 8 of the Illinois Securities Law [815 ILCS 5/1 et seq] (the "Act")
3. That FINRA is a private, non-governmental organization that is registered with the United States Securities and Exchange Commission as a self-regulatory organization pursuant to the Securities Exchange Act of 1934.
4. That at all times relevant hereto, Respondent was FINRA-registered and employed by a FINRA-registered firm.
5. That, on or about January 4, 2013, FINRA, in Disciplinary Proceeding No. 2012033227401, permanently barred Respondent from membership
6. According to records maintained on the Central Registration Depository system ("CRD"), the facts set forth can be summarized as follows:

In the course of an investigation, FINRA sought on-the-record testimony from Respondent concerning his personal trading activities and recommendations that he made to clients to purchase certain securities in 2006 and 2007, while he was registered with Westrock. FINRA sent Respondent a written request on December 4, 2012, pursuant to FINRA Rule 8210, noticing him for an on-the-record interview on December 18, 2012.

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Before the scheduled interview, Respondent told FINRA that [he] would not appear to testify at the on-the-record interview or at any other scheduled interview.

While registered at Westrock, [Respondent] opened a personal securities account at another member firm, on September 20, 2006, and bought and sold securities in that account. He never notified the firm that he was registered with Westrock and he also failed to notify Westrock that he had opened an account at another member firm.

7. That, to settle the action taken against him, Respondent signed a Letter of Acceptance, Waiver and Consent on or about December 21, 2012 (the "Letter") The Letter acknowledged the following:
 - a Respondent violated FINRA Rule 2010 which requires members to comply with the efforts of FINRA staff conducting an investigation
 - b Respondent violated FINRA Rule 8210 which requires members to observe high standards of commercial honor and just and equitable principles of trade.
 - c. Respondent violated NASD Rule 2110 which prohibits the use of material, non-public information by FINRA members to buy or sell an option, security future or an underlying security
 - d Respondent violated NASD Rule 3050(C) which prohibits employees of a member firm from opening securities accounts for their personal use without providing the proper notice to that employer and the other member firm which will be executing the account.
- 8 That, additionally, the Letter included a sanction that Respondent be barred from associating with any member of FINRA.
9. Section 8.E(1)(j) of the Act provides, *inter alia*, that the registration of a salesperson may be suspended or revoked if the Secretary of State finds that such salesperson has had membership in or association with any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act suspended, revoked, refused, expelled, cancelled, barred, limited in any capacity, or otherwise adversely affected in a similar manner 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.
10. By virtue of the foregoing, Respondent's registration as a salesperson in the State of Illinois is subject to suspension or revocation pursuant to Sections 8 E(1)(j) of the Act.

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- 11 Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily suspend the registration of a salesperson without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act
- 12 The entry of this **Temporary Order of Suspension**, suspending the registration of Respondent Joseph K Critelli as a salesperson in the State of Illinois, is in the public interest, for the protection of the investing public and consistent with the purposes intended by the provisions of the Act
- 13 The foregoing findings are based upon credible evidence

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, the registration of Respondent **JOSEPH K. CRITELLI** as a salesperson in the State of Illinois is **SUSPENDED** for a maximum period of ninety (90) days.

NOTICE is hereby given that the Respondent may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 300 W Jefferson St , Suite 300A, Springfield, Illinois.62702. Such request must be made within thirty (30) days of the date of entry of this Order Upon receipt of a request for hearing, a hearing will be scheduled. A request for hearing will not stop the effectiveness of this Order and will extend the effectiveness of this Order for ninety days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) DAYS AFTER ENTRY OF THIS ORDER OF SUSPENSION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND CONSTITUTES SUFFICIENT BASIS TO MAKE THIS ORDER FINAL

Dated: This 7th day of February, 2013.


JESSE WHITE
Secretary of State
State of Illinois

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