

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF:

Joseph K. Critelli

FILE NO. 1300018

SUMMARY ORDER OF PROHIBITION

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 That, 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

Summary Order of Prohibition

-2-

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. 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. That Section 11.F(7) of the Illinois Securities Law of 1953 [815 ILCS 5/1 *et seq*] ("the Act") states, *inter alia*, that whenever the Secretary of State finds that a person is currently expelled from, refused membership in or association with, or limited in any material capacity by a self-regulatory organization registered under the Federal 1934 Act or Federal 1974 Act because of a fraudulent or deceptive act or a practice in violation of a rule, regulation, or standard duty promulgated by the self-regulatory organization, the Secretary of State may, at his or her discretion, enter a Summary Order of Prohibition, which shall prohibit the offer or sale of any securities by the person in this State

Summary Order of Prohibition

-3-


10 That by virtue of the above conduct, Respondent is subject to a Summary Order of Prohibition pursuant to Section 11 F(7) of the Act

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to Section 11.F(7) of the Act, Respondent **JOSEPH K. CRITELLI** is hereby **PROHIBITED** from offering or selling any securities in or from the State of Illinois.

NOTICE: A person who is the subject of a Summary Order of Prohibition may petition the Illinois Securities Department for a hearing to present evidence of rehabilitation or change in circumstances justifying the amendment or termination of the Summary Order of Prohibition

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.

Dated: This 7th day of February, 2013.


JESSE WHITE
Secretary of State
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 Felony

This is a final order subject to administrative review pursuant to the Administrative Review Law, {735 ILCS 5/3-101 et seq } and the Rules and Regulations of the Illinois Securities Act, {14 Ill Admin Code Ch I, Section 130 1123}. Any action for Judicial Review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review

Attorney for the Secretary of State.
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