

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: Joseph K. Critelli

FILE NO. 1300018

ORDER OF SUSPENSION

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

WHEREAS, a Temporary Order of Suspension was issued by the Secretary of State on February 7, 2013, suspending the registration of Respondent Joseph K. Critelli as a salesperson in the State of Illinois, in the public interest, for the protection of the investing public and consistent with the purposes intended by the provisions of the Act.

WHEREAS, pursuant to Section 11.1 of the Illinois Securities Law of 1953 [815 ILCS 5/1 *et seq.*] (the "Act"), the failure to request a hearing within thirty (30) days of the entry of the Temporary Order shall constitute a sufficient basis to make the Temporary Order final.

WHEREAS, the Respondent has failed to request a hearing on the matters contained in said Temporary Order within thirty (30) days of the entry of said Temporary Order and is hereby deemed to have admitted the facts alleged in said Temporary Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in said Temporary Order as the Secretary of State's final Findings of Fact as follows:

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.

Order of Suspension

-2-

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. 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

Order of Suspension


-3-

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.
- 11 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** in this State until further Order of the Secretary of State.

Dated: This 11th day of March, 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 for each offense.

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
Shannon Bond
Illinois Securities Department
300 W. Jefferson St., Suite 300A
Springfield, Illinois 62702
Telephone: (217) 524-0648