

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

\_\_\_\_\_  
IN THE MATTER OF: DEANE JOSEPH PANTALEO )  
\_\_\_\_\_)

FILE NO. 0700036

**ORDER OF REVOCATION**

TO THE RESPONDENT: Deane Joseph Pantaleo  
(CRD#: 4336722)  
2004 Black Swan Court  
Darien, Illinois 60561

WHEREAS, the above-captioned matter came on to be heard on May 17, 2007, pursuant to the Notice of Hearing dated April 6, 2007, FILED BY Petitioner Secretary of State, and the record of the matter under the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") has been reviewed by the Secretary of State or his duly authorized representative.

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed to be proper and are hereby concurred with by the Secretary of State.

WHEREAS, the proposed Findings of Fact, Conclusions of Law and Recommendations of the Hearing Officer, George P. Berbas, Esq., in the above-captioned matter have been read and examined.

WHEREAS, the following proposed Findings of Fact of the Hearing Officer are hereby adopted as the Findings of Fact of the Secretary of State:

1. The Department served Respondent with the amended Notice of Hearing on April 6, 2007 ("Notice of Hearing").
2. Respondent failed to appear either by himself or through his attorney at the hearing on May 17, 2007, and also failed to respond or otherwise answer to the allegations in the complaint.
3. Due notice having been given to the Respondent, and Respondent having failed to appear, the Department was allowed to proceed to a Default Hearing.

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4. Mr. Pantaleo was registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act, until July 7, 2005.
5. On November 13, 2006, NASD entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding File No. 20050022039-01 which sanctioned the Respondent as follows:
  - a. The Respondent was suspended from association with any member of NASD for a period of two years; and
  - b. fined \$20,000 .
  - c. Moreover the AWC found:
    - i. On June 30, 2005, the Respondent sat for the series 7 (general securities representative) examination at a testing center in Chicago, Illinois. Prior to taking the examination, the Respondent was required to abide by certain NASD Rules of Conduct relating to the examination, and entitled "NASD Rules of Conduct- Prohibition of Study Materials or Assistance." One of the Rules was that the Respondent must not receive (except from the center staff) any form of assistance during the examination/training or restroom breaks. Another Rule was that during the restroom breaks, the Respondent, "must not leave the premises and may only go to the restroom."
    - ii. During the examination, the Respondent requested permission to take a restroom break. After taking the restroom break, instead of returning to the testing area, the Respondent left the building where the examination was being conducted, and went to his vehicle, he obtained a book entitled "General Securities Representative Exam License Manual 16<sup>th</sup> Edition." After obtaining this book, the Respondent returned to the building where the examination was being conducted. Examination staff found the Respondent in a hallway, immediately after he reentered the building, carrying the book entitled "General Securities Representative Exam License Manual 16<sup>th</sup> Edition." After the examination staff questioned the Respondent, the examination staff took the book entitled "General Securities Representative Exam License Manual 16<sup>th</sup> Edition."
    - iii. Such acts, practice and conduct set forth above constitute separate and distinct violations of NASD Conduct Rule 2110 by the Respondent.

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WHEREAS, in addition to the findings of fact by the hearing officer and adapted by the Illinois Secretary of State, the Illinois Secretary of State makes a supplemental finding of fact that the respondent registered as an investment advisor representative in the State of Illinois pursuant to Section 8 of the Act until July 7, 2005.

WHEREAS, the following proposed Conclusions of Law made by the Hearing Officer are correct and are hereby adopted as the Conclusions of Law of the Secretary of State:

1. The Department properly served the Notice of Hearing on Respondent on April 6, 2007.
2. The Secretary of State has jurisdiction over the subject matter hereof pursuant to the Act.
3. Respondent failed to answer or otherwise appear at the hearing in accordance with Section 130.1104, therefore,
  - a. The allegations contained in the Notice of Hearing and complaint are deemed admitted;
  - b. Respondent waived his right to a hearing;
  - c. Respondent is subject to an order of Default.
4. On November 13, 2006, NASD entered a decision regarding Complaint # 20050022039-01, which barred Respondent from association in any capacity with any member of the NASD. Section 8.E(1)(j) of the Illinois Securities Law provides, 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. Section 8.E(3) of the Act provides that withdrawal of an application for registration or withdrawal from registration of a salesperson, becomes effective 30 days after receipt of an application to withdraw or within such shorter period of time as the Secretary of State may determine. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the Secretary of State may nevertheless institute a revocation or suspension proceeding within two years after withdrawal became effective and enter a revocation or suspension order as of the last date on which regulation was effective.

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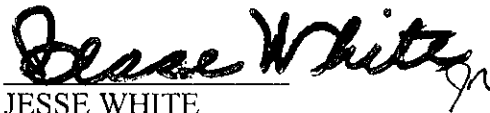
6. The Department proved the allegations contained in the complaint in the Default prove-up hearing on May 17, 2007.

WHEREAS, the Hearing Officer recommended that the Secretary of State should REVOKE the Respondent Deane Joseph Pantaleo's registration as a salesperson in the State of Illinois, and the Secretary of State adopts in its entirety the Recommendation made by the Hearing Officer, and modifies it in accord with the additional conclusions of law.

NOW THEREFORE, IT SHALL BE AND IS HEREBY ORDERED:

1. The Department's request for a Default Judgment against the Respondent is granted.
2. Respondent's registration as an investment advisor and a salesperson in the State of Illinois is revoked effective July 7, 2005.
3. This matter is concluded without further proceedings.

DATED: ENTERED This 9<sup>th</sup> day of July 2007.



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.