

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

IN THE MATTER OF: MICHAEL J. RESCINITI)
_____)

FILE NO. 0700262

NOTICE OF HEARING

TO THE RESPONDENT: Michael J. Resciniti
(CRD#: 4006304)
63 Jamaica Drive
Sound Beach, New York 11789

C/o New Castle Financial Services LLC
535 Broad Hollow Road
Second Floor, Suite A-2
Melville, New York 11747

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 29th day of August, 2007 at the hour of 10:00 a.m. or as soon as possible thereafter, before George Berbas, Esq., or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered revoking Michael J. Resciniti's (the "Respondent") registration as a salesperson in the State of Illinois and/or granting such other relief as may be authorized under the Act including but not limited to the imposition of a monetary fine in the maximum amount pursuant to Section 11.E(4) of the Act, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows:

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.

Notice of Hearing

2. That on April 30, 2007 NASD entered ORDER ACCEPTING OFFER OF SETTLEMENT submitted by the Respondent regarding Disciplinary Proceeding No. EL120030562-01 which sanctioned the Respondent as follows:
 - a. Suspended from associating with any NASD member firm in any capacity for a period of 10 business days;
 - b. Fined \$5,000; and
 - c. Ordered to pay restitution to customer BC in the total amount of \$10,842.03, plus interest.

3. That the Order found: that the Respondent:
 - a. During the period from approximately September 17, 2003, through September 29, 2003, the Respondent effected, or caused to be effected, a series of transactions in the account of Continental (Respondent's employing firm) customer BC, without the customer's prior knowledge, authorization, or consent.
 - b. Specifically, the Respondent purchased 10,000,000 shares of Virtual Gaming Enterprise ("VGME") stock at a price of \$0.005 per share and sold such shares in a series of at least eleven separate transactions for prices ranging from \$0.003 to \$0.005 per share.
 - c. Customer BC was traveling outside of the United States, in Asia, for the period from August 27, 2003, through November 4, 2003, and did not authorize these transactions.
 - d. As a result of these unauthorized transactions, Customer BC sustained a loss in his account of approximately \$10,822. Accordingly, as alleged in the Complaint, Respondent violated NASD Conduct 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.

Notice of Hearing

3

5. That NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
6. 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.

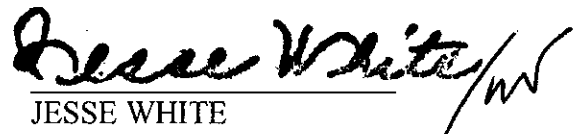
You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 ILL. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

Delivery of Notice to the designated representative of any Respondent constitutes service upon such Respondent.

Dated: This 11th day of July 2007.



JESSE WHITE
Secretary of State
State of Illinois

Notice of Hearing

4

Attorney for the Secretary of State:
Daniel A. Tunick
Office of the Secretary of State
Illinois Securities Department
69 West Washington Street, Suite 1220
Chicago, Illinois 60602
Telephone: (312) 793-3384

Hearing Officer:
George Berbas
180 N. LaSalle Street
Chicago, Illinois 60601