

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: GARY E. BIDZINSKI)
_____)

FILE NO. 0500445

CONSENT ORDER OF SUSPENSION

TO THE RESPONDENT: Gary E. Bidzinski
826 Roland Ave.
Rockford, IL 61107

C/O LaSalle St. Securities, L.L.C.
230 W. Monroe St.
Chicago, IL 60606

C/O David Genelly, Esq.
Vanasco Genelly & Miller
33 North LaSalle St.
Suite 2200
Chicago, Illinois 60602

WHEREAS, Respondent Gary E. Bidzinski on the 26th day of July, 2007, executed a certain Stipulation to Enter Consent Order of Suspension (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Amended Notice of Hearing of the Secretary of State, Securities Department, dated August 17, 2006 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Suspension ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the truth thereof, that the following allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1. 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.

2. On July 11, 2005, the Business Conduct Committee (the "Committee") of the Chicago Board Options Exchange (the "Exchange") entered an Offer of Settlement regarding File # 04-0032 which sanctioned the Respondent as follows:
 - a. A fine of \$5,000.00
 - b. A Censure
 - c. A suspension for thirty (30) consecutive days from Exchange membership and from association with any exchange member or member organization.

3. The Exchange found that:
 - a. During all relevant periods, Respondent was registered with the Exchange to transact business on the Exchange in accordance with Exchange Rules as a Registered Representative of Morgan Stanley DW, Inc. ("MSDW"), an Exchange member organization, at MSDW's Rockford, IL branch office.
 - b. During all relevant periods, Respondent was acting in his capacity as a Registered Representative for MSDW, and was engaged in the handling of public customer accounts including, but not limited to, the accounts of public customer #1 ("Customer #1) and public customer #2 ("Customer #2").
 - c. During all relevant periods, Exchange Rule 4.1 – Just and Equitable Principles of Trade, was in full force and effect.
 - d. In or about November 1997, Respondent solicited and accepted personal loans, totaling at least \$75,000, from MSDW Customer #2 in contravention of MSDW's written procedures regarding lending or borrowing.
 - e. During the approximate period from, on or about April 16, 2001 and through on or about June 22, 2001, Respondent wrote two (2) letters to the husband of Customer #1, which misrepresented the true values of Customer #1's account by overstating the account equity.

4. Section 8.E(1)(j) of the Act states that subject to the provisions of subsection F of Section 11 of the Act, the registration of a dealer, limited Canadian dealer, salesperson, investment advisor, or investment advisor representative may be denied, suspended or revoked if the Secretary of State finds that the dealer, limited Canadian dealer, salesperson, investment advisor, or investment advisor representative or any principal officer, director, partner, member, trustee, manager or any person who performs a similar function of the dealer, limited Canadian dealer, or investment advisor 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.
5. The Exchange is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
6. Respondent failed to comply with MSDW's Code of Conduct during the period of 1997 through 2001, at which time he solicited, accepted, and failed to repay personal loans totaling at least \$75,000 from MSDW Customer #2 in contravention of MSDW's written procedures regarding lending or borrowing. Respondent accepted and acknowledged receipt of MSDW's Code of Conduct during this time period.
7. Respondent completed MSDW Branch Inspection – Registered Personnel Questionnaires for the period July 1997, September 1998, July 1999, and August 2001. One of the questions asks whether the Respondent, “borrowed or received money or other items of value from any customer or other person with whom the Firm does business.” Respondent answered “no” in response to this question on each of the relevant Questionnaires.
8. Section 8.E(1)(b) of the Act states that subject to the provisions of subsection F of Section 11 of the Act, the registration of a dealer, limited Canadian dealer, salesperson, investment advisor, or investment advisor representative may be denied, suspended or revoked if the Secretary of State finds that the dealer, limited Canadian dealer, salesperson, investment advisor, or investment advisor representative or any principal officer, director, partner, member, trustee, manager or any person who performs a similar function of the dealer, limited Canadian dealer, or investment advisor has engaged in any unethical practice in connection with any security, the offer or sale of securities or in any fraudulent business practice.

WHEREAS, by means of the Stipulation, the Respondent acknowledged and agreed, without admitting or denying the truth thereof, that the Secretary of State shall adopt the following additional Findings of Fact:

9. During all relevant periods, Respondent was registered with the Exchange to transact business on the Exchange in accordance with Exchange Rules as a Registered Representative of Morgan Stanley DW, Inc. ("MSDW"), an Exchange member organization, at MSDW's Rockford, IL branch office.
10. During all relevant periods, Respondent was acting in his capacity as a Registered Representative for MSDW, and was engaged in the handling of public customer accounts including, but not limited to, the accounts of public customer #1 ("Customer #1) and public customer #2 ("Customer #2").
11. During all relevant periods, Exchange Rule 4.1 - Just and Equitable Principles of Trade, was in full force and effect.
12. In or about November 1997, Respondent solicited and accepted personal loans, totaling at least \$75,000, from MSDW Customer #2 in contravention of MSDW's written procedures regarding lending or borrowing.
13. During the approximate period from, on or about April 16, 2001 and through on or about June 22, 2001, Respondent wrote two (2) letters to the husband of Customer #1, which misrepresented the true values of Customer #1's account by overstating the account equity.
14. Section 12.F of the Act provides that it shall be a violation of the provisions of this Act for any person to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
15. Section 12.G of the Act provides that it shall be a violation of the provisions of this Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
16. By virtue of the foregoing Respondent Gary E. Bidzinski has violated Sections 12.F and 12.G of the Act.

17. Section 8.E(1)(g) of the Act provides that subject to the provisions of subsection F of Section 11 of the Act, the registration of a dealer, limited Canadian dealer, salesperson, investment advisor, or investment advisor representative may be denied, suspended or revoked if the Secretary of State finds that the dealer, limited Canadian dealer, salesperson, investment advisor, or investment advisor representative or any principal officer, director, partner, member, trustee, manager or any person who performs a similar function of the dealer, limited Canadian dealer, or investment advisor has violated any of the provisions of the Act.
18. By virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to revocation pursuant to Sections 8.E(1)(j), 8.E(1)(b) and 8.E(1)(g) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

1. Respondent Gary E. Bidzinski has violated Sections 12.F and 12.G of the Act.
2. Respondent Gary E. Bidzinski's registration as a salesperson in the State of Illinois is subject to revocation pursuant to Sections 8.E(1)(j), 8.E(1)(b) and 8.E(1)(g) of the Act.

WHEREAS, by means of the Stipulation Respondent has agreed to a five (5) year suspension of his salesperson registration in the State of Illinois, sixty (60) days to be served, with credit given for thirty (30) days already served under the Chicago Board Option Exchange, Settlement Agreement. The thirty (30) days to be served shall commence immediately upon entry of this Consent Order. The remainder of the suspension shall be held abeyant unless and until such time as Respondent becomes subject to disqualification pursuant to any of Sections 8.E(1)(a), 8.E(1)(i), 8.E(1)(j), 8.E(1)(k), or 8.E(1)(n) of the Act, with IMMEDIATE reinstatement upon the occurrence of such event, which shall run from the date of the Department's Order; or, AFTER NOTICE AND A HEARING, Respondent is found to be disqualified under Section 8.E(1)(g) of the Act.

WHEREAS, by means of the Stipulation Respondent has demonstrated a good faith effort to begin compensation of a certain Illinois resident customer, and has provided with the Stipulation good and substantial evidence thereof.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he shall pay One Thousand Five Hundred Dollars (\$1,500) costs of investigation, and that he has submitted with the Stipulation a certified or cashiers check in the amount of One Thousand Five Hundred Dollars (\$1,500.00) in payment thereof.

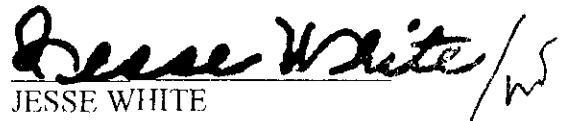
Said check has been made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

- (1) Respondent's registration as a salesperson in the State of Illinois shall be and is suspended for a period of five (5) years, sixty (60) days to be served, with credit given for thirty (30) days already served under the Chicago Board Option Exchange, Settlement Agreement. The thirty (30) days to be served shall commence immediately upon entry of this Consent Order. The remainder of the suspension shall be held abeyant unless and until such time as Respondent becomes subject to disqualification pursuant to any of Sections 8.E(1)(a), 8.E(1)(i), 8.E(1)(j), 8.E(1)(k), or 8.E(1)(n) of the Act, with IMMEDIATE reinstatement upon the occurrence of such event, which shall run from the date of the Department's Order; or, AFTER NOTICE AND A HEARING, Respondent is found to be disqualified under Section 8.E(1)(g) of the Act.
- (2) Respondent shall pay costs of investigation in the amount of One Thousand five hundred dollars (\$1500.00), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund; and on _____ 2007 he has submitted with the Stipulation a certified or cashiers check in the amount of One Thousand Five Hundred dollars (\$1500.00) in payment thereof.
- (3) The formal hearing scheduled on this matter is dismissed, without further proceeding.

ENTERED: This 13th day of August, 2007


JESSE WHITE
Secretary of State
State of Illinois