

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: DAVID A. ROURKE SR. )  
\_\_\_\_\_) )

FILE NO. 0600397

**SUMMARY ORDER OF DENIAL**

TO THE RESPONDENT: David A. Rourke Sr.  
(CRD#: 2089364)  
32 Willow Street  
Wellesley, Massachusetts 02494

C/o QA3 Financial Corp.  
One Valmont Plaza, 4th Floor  
Omaha, Nebraska 68154-5203

WHEREAS, on June 21, 2006, QA3 Financial Corp., a registered dealer, filed a Form U-4 application for registration of David A. Rourke Sr. (the "Respondent") as a salesperson in the State of Illinois;

WHEREAS, pursuant to the authority granted under Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the Secretary of State has determined that the Respondent's application for registration as a salesperson in the State of Illinois is subject to a Summary Order of Denial;

WHEREAS, the Secretary of State finds that the grounds for such Summary Order of Denial are as follows:

1. That on August 19, 2005 NASD entered a Letter Of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding File No. E0420040097-01, which sanctioned the Respondent as follows:
  - a. suspension from association with any NASD member in any capacity for ten business days; and
  - b. \$7,500 fine.

2. That the AWC found: Unsuitable Recommendations in violation of NASD Conduct Rules 2310 and 2110 The Respondent recommended the purchase of Class B mutual fund shares to five customers from July 2002 through March 2004. These customers followed the Respondent's recommendations and purchased \$1,225,739 of Class B shares.
  - a. *The Respondent made these recommendations without having reasonable grounds to believe that the Class B shares, as opposed to Class A shares, were suitable for these customers. Had the customers instead purchased Class A shares, they would have:*
    - (i) received breakpoints to reduce the cost of the front-end sales charges imposed on purchases of Class A shares;
    - (ii) paid lower on-going expenses for Class A shares versus those for Class B shares; and
    - (iii) avoided potential contingent deferred sales charges imposed on any sales of Class B shares within six to seven years of the date of purchase. For these reasons, the Respondent's recommendations to purchase Class B shares were unsuitable. B. Such acts, practices and conduct constitute separate and distinct violations of NASD Conduct Rules 2110 and 2310 by the Respondent.
3. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be denied 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.
4. That the NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.

Summary Order of Denial

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5. That by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to denial pursuant to Section 8.E(1)(j) of the Act.

NOW IT IS HEREBY ORDERED THAT:

The Respondent's application for registration as a salesperson in the State of Illinois is DENIED, subject to the further Order of the Secretary of State.

A public hearing will be set within thirty (30) days of the Respondent's filing a written request for hearing with the Secretary of State at 69 west Washington Street, Suite 1220, Chicago, Illinois 60602. Said hearing will be held at the aforesaid address before a Hearing Officer duly designated by the Secretary of State. A copy of the Rules under the Act pertaining to contested cases is attached to this Order.

YOUR FAILURE TO REQUEST A HEARING WITHIN THIRTY (30) DAYS AFTER RECEIPT OF THIS ORDER SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE A SUFFICIENT BASIS TO MAKE THIS ORDER FINAL.

You are further notified that if you request a hearing that you may be represented by legal counsel, may present evidence; may cross-examine witnesses and otherwise participate. Failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

Delivery of this Order or any subsequent notice to the designated representative of any Respondent constitutes service upon such Respondent,

ENTERED: This 17th day of August 2006.

  
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JESSE WHITE  
Secretary of State  
State of Illinois

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