

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

IN THE MATTER OF: ROCCO N. GRAZIOSI)
_____)

FILE NO. 0600038

ORDER OF DENIAL

TO THE RESPONDENT: Rocco N. Graziosi
(CRD#:2590696)
22 Victoria Lane
Glen Cove, New York 11542

C/o EKN Financial Services, Inc.
135 Crossways Park Drive
Woodbury, New York 11797

WHEREAS, a Summary Order of Denial was issued by the Secretary of State on June 28, 2006, which denied Rocco N. Graziosi's (the "Respondent") application for registration as a salesperson in the State of Illinois until further order from the Secretary of State.

WHEREAS, pursuant to Section 11F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of a Summary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Summary Order final.

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

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

1. That on February 1, 2001, NASD entered a Letter Of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding File No. C9B010015, which sanctioned the Respondent as follows:

Order of Denial

2

- a. Three-month suspension from association with any NASD member in any capacity; and
 - b. \$7,500 fine.
2. That the AWC found:
- a. On or about October 14, 1997, the Respondent opened an account in customer JG's name at an NASD member firm. When JG's account was opened, JG resided in the State of Indiana. At the time JG's account was opened, the Respondent was not registered in the State of Indiana to conduct a securities business. On or about November 4, 1997 the Respondent, became registered in the State of Indiana to conduct a securities business, When JG's account was opened, registered representative ES was registered in the State of Indiana to conduct a securities business. In connection with the opening of JG's account, the Respondent arranged for ES to sign ES's name on JG's new account form falsely representing that ES was JG's account executive when in fact the Respondent, and not ES, had introduced JG's account to their NASD member firm. Accordingly, the Respondent failed to provide his NASD member firm with his signature as the registered representative who had introduced JG's account to his NASD member Firm. By reason of the foregoing, the Respondent violated NASD Conduct Rules 2110 and 3110 by causing his NASD member firm to fail to maintain accurate books and records, as required by NASD Conduct Rule 3110 (c)(1)(C) and SEC Rule 17a-3.
 - b. On or about October 15, 1997, the Respondent opened an account in customer PC's name at an NASD member firm. When PC's account was opened, PC resided in the State of Oklahoma. The time PC's account was opened; the Respondent was not registered in the State of Oklahoma to conduct a securities business.
 - c. On or about November 5, 1997, the Respondent became registered in the State of Oklahoma to conduct a securities business. When PC's account was opened, registered representative ES was registered in the State of Oklahoma to conduct a securities business. In connection with the opening of PC's account, the Respondent arranged for ES to sign ES's name on PC's new account form falsely representing that ES was PC's account executive when in fact the Respondent, and not ES, had introduced PC's account to their NASD member firm. Accordingly, the Respondent failed to provide his NASD member firm with his signature as the registered representative who had introduced PC's account to his NASD member firm. By reason of the foregoing, the

Order of Denial


3

Respondent violated NASD Conduct Rules 2110 and 3110 by causing his NASD member firm to fail to maintain accurate books and records, as required by NASD Conduct Rule 3110 (c)(1)(C) and SEC Rule 17a-3.

- d. From in or about October 1997, through in or about December 1997, the Respondent knowingly and improperly used ES's account executive number for the purpose of entering approximately five (5) transactions in PC's account and approximately two (2) transactions in JG's account. By reason of the foregoing, the Respondent violated NASD Conduct Rules 2110 and 3110 by causing his NASD member firm to fail to maintain accurate books and records, as required by NASD Conduct Rule 3110 and SEC Rule 17a-3.
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.
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: Rocco N. Graziosi's application for registration as a salesperson in the State of Illinois is DENIED.

ENTERED: This 1st day of August 2006.


JESSE WHITE
Secretary of State
State of Illinois

Order of Denial

4

NOTICE: 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 Act(14 Ill. Admin. Code, Ch. 1., Sec. 130.1123). Any action for judicial review must be commenced within thirty-five days from the date a copy of this Order is served upon the party seeking review.