

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

IN THE MATTER OF: **JYGNESH R. PATEL**)
_____)

FILE NO. 0500523

ORDER OF REVOCATION

TO THE RESPONDENT: Jygnesh R. Patel
(CRD#. 2387765)
4043 N Blake Lane
Glenview, Illinois 60025

WHEREAS, the above-captioned matter came on to be heard on March 15, 2006, pursuant to the Notice of Hearing dated January 31, 2006, 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, James L. Kopecky, Esq in the above-captioned matter have been read and examined.

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

1. The Department served Respondent with a Notice of Hearing on January 31, 2006.
2. The Respondent received actual notice on February 13, 2006.
3. The Respondent failed to timely answer, appear, or submit a responsive pleading
4. The Respondent failed to appear at the time and place scheduled for hearing and failed to request a continuance.

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5. 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 until March 28, 2005
6. On July 18, 2005, the NASD entered an Order Accepting Offer of Settlement submitted by the Respondent ("Order") regarding Disciplinary Proceeding No. C0705000303, which barred Respondent from association with any NASD member in all capacities.
7. The Order found:
 - a. As Alleged in the First Cause of Complaint, the Respondent, with scienter:
 - (i) misrepresented to customer AF that a securities account would be opened for AF at TradeRight (a dealer who was owned by the Respondent who also acted as president, executive representative and compliance officer, among other things) into which \$50,000 of AF's investment funds would be deposited and carried, and that AF's investment would be protected by TradeRight's fidelity bond and other insurance, and
 - (ii) created and sent to AF a purported TradeRight account statement falsely showing that AF's funds had been deposited into an account in his name at TradeRight, in violation of Securities Exchange Act Section 10(b), rule 10b-5 thereunder, and NASD Conduct Rules 2110 and 2120.
 - b. As Alleged in the First Cause of Complaint, the Respondent failed to open a TradeRight securities account for customer AF and deposit AF's funds in said account, in violation of NASD Conduct Rules 2110 and 2330(a)
 - c. As Alleged in the Second Cause of Complaint, the Respondent's failure to respond to NASD staff request for information made pursuant to NASD Procedural Rule 8210, in violation of NASD Conduct Rule 2110 and Procedural Rule 8210.

WHEREAS, the Department adopts the additional Findings of Facts:

8. ~~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,

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regulation or standard duly promulgated by the self-regulatory organization

9. NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
10. Section 8.E(3) of the Act provides, *inter alia*, withdrawal of an application for registration or withdrawal from registration as a salesperson, 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 2 years after withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.

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 January 31, 2006.
2. The Secretary of State has jurisdiction over the subject matter hereof pursuant to the Act.
3. Because of Respondent's failure to timely file an answer, a special appearance or other responsive pleading in accordance with Section 13 1104:
 - (a) the allegations contained in the Notice of Hearing are deemed admitted;
 - (b) Respondent waived his right to hearing;
 - (c) Respondent is subject to an Order of Default.
4. Because the Respondent failed to appear at the time and place set for hearing, in accordance with Section 130 1109, he
 - (a) waived his right to present evidence, argue, object or cross examine witnesses, or
 - (b) otherwise participate at the hearing.

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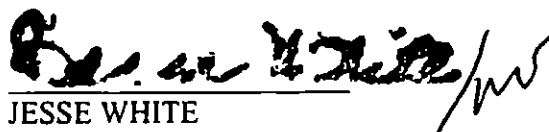
5. By virtue of the foregoing, the Respondent's registration in the State of Illinois is subject to revocation pursuant to Sections 8.3 and E. (1)(j) of the Act
6. No showing of science or willful conduct is required to impose the requested sanction under Sections 8 3 and E.(1)(j) of the Act.

WHEREAS, the Hearing Officer recommended that the Secretary of State should revoke the Respondent'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.**

NOW THEREFORE, IT SHALL BE AND IS HEREBY ORDERED.

- 1 That Jygnesh R Patel's registration as a salesperson in the State of Illinois is revoked effective as of March 28, 2005 pursuant to the authority provided under Sections 8 E(1)(j) and 8.E(3) of the Act
- 2 That this matter is concluded without further proceedings

DATED ENTERED This 30th day of March 2006.



JESSE WHITE
Secretary of State
State of Illinois

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 (35) days from the date a copy of this Order is served upon the party seeking review.