

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

IN THE MATTER OF: Michael Lee Romero)
_____)

FILE NO. 1300187

CONSENT ORDER OF DISMISSAL

TO THE RESPONDENT:

Michael Lee Romero
1014 Valley Drive
Windsor, CO 80550

Stephen A. Kohn & Associates, Ltd
3232 South Vance Street
Lakewood, CO 80227

WHEREAS, Respondent on the 20th day of May, 2013 executed a certain Stipulation to Enter Consent Order of Dismissal (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 Notice of Hearing of the Secretary of State, Securities Department, dated April 19, 2013, in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Dismissal "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. That on December 11, 2012, Stephen A. Kohn & Associates, a registered dealer, filed a Form U-4 application for registration of the Respondent as a salesperson in the State of Illinois pursuant to Section 8 of the Act.
2. That on August 1, 2011 FINRA entered a Letter of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding File No. 2010021431201 Which sanctioned the Respondent as follows:
 - a. suspended from association with any FINRA member in any capacity for Forty Five (45) business days; and

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- b. fined \$10,000.
- 3. That the AWC found:

Facts and Violative Conduct

- 1. From April 2006 through August 2008, Romero recommended that customers J.& N.A. purchase \$760,000 of non-publicly traded Regulation D offerings and real estate investment trusts [REIT's]
- 2. According to a new account application that J.&N.A. signed in April 2006, they had investment objectives of long-term growth and capital preservation and income. They also had a moderate risk tolerance.
- 3. The investments in the Regulation D offerings and REITs constituted almost all of the customers' liquid net worth and roughly 46% of their total net worth.
- 4. Romero's recommendations to purchase these Regulation D offerings and REITs were inconsistent with the customers' financial situation and needs.
- [5] Through this conduct, Romero violated NASD Conduct Rules 2310 and 2110.
- 4. 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.
- 5. That FINRA is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.

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

That 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.

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WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he shall be levied costs incurred during the investigation of this matter in the amount of One Hundred dollars (\$100.00). Said amount is to be paid by certified or cashier's check, made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he has submitted with the Stipulation a certified or cashier's check in the amount of One Hundred dollars (\$100.00) to cover costs incurred during the investigation of this matter. Said check has been made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

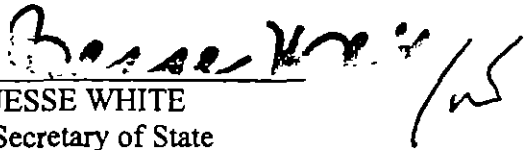
WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he has executed a certain Affidavit which contains undertakings that he will continue to adhere to upon entry of this Consent Order. Said Affidavit is incorporated herein and made a part hereof.

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. The Notice of Hearing dated April 19, 2013 is dismissed.
2. The Respondent is levied costs of investigation in this matter in the amount of One Hundred dollars (\$100.00), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, and on May 20, 2013 has submitted One Hundred dollars (\$100.00) in payment thereof.
3. The Respondent Michael Lee Romero shall comply with all the terms and conditions contained in his accompanying Affidavit, which has been made a part of this Order.
4. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED- This 21st day of May 2013.



JESSE WHITE
Secretary of State
State of Illinois