

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

**IN THE MATTER OF: JOHN D. BUGLISI**

**FILE NO. 0400717**

**NOTICE OF HEARING**

**TO THE RESPONDENT:**

John D. Buglisi  
(CRD #2977744)  
179 Lagoon Drive East  
Lido Beach, New York 11561

C/o Gunallen Financial, Inc.  
5002 W. Waters  
Tampa, Florida 33634

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14 Ill. Adm. Code 130, subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 4th day of May, 2005, at the hour of 10:00 a.m., or as soon as possible thereafter, before James G. Athas, Esq. or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered revoking John D. Buglisi's (the "Respondent") registration as a salesperson in the State of Illinois and/or granting such other relief as may be authorized under the Act including, but not limited to the imposition of a monetary fine in the maximum amount pursuant to Section 11.E(4) of the Act, payable within ten (10) business days of the Order.

The grounds for such proposed action are as follows:

1. That 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.

Notice of Hearing

- 2 -

2. That on September 30, 2004 NASD entered Order Accepting Offer of Settlement (Order) submitted by the Respondent regarding Disciplinary Proceeding No. CLI040001 which sanctioned the Respondent as follows:
  - a. Suspended from associating with any NASD member firm in any capacity for forty-five days; and
  - b. Pay a fine of \$20,000.
3. That the Order found:
  - a. **(Customer TM)** On or about May 24, 2001, the Respondent purchased or caused to be purchased 1,000 shares of ADC Telecommunications, Inc. ("ADC") in the account of Continental (the Respondent's employing firm) customer TM without TM's prior knowledge, authorization or consent.
  - b. On or about June 11, 2001, the respondent sold or caused to be sold 1,000 shares of ADC from TM's account without TM's prior knowledge, authorization or consent.
  - c. **(Customer KC)** On or about July 21, 2000, the Respondent purchased 100 shares of CMGI, Inc. ("CMGI") in the Individual Retirement Account ("IRA") of Continental customer KC without KC's prior knowledge, authorization or consent.
  - d. On or about February 23, 2001, the Respondent purchased or caused to be purchased 1,000 shares of Lucent Technologies, Inc. ("Lucent") in KC's regular account without KC's prior knowledge, authorization or consent.
  - e. On or about February 23, 2001, the Respondent sold or caused to be sold ten Lucent call options for KC's regular account without KC's prior knowledge, authorization or consent.
  - f. On or about March 5, 2001, the Respondent closed out the position in Lucent call options by purchasing or causing to be purchased the ten Lucent call options without KC's prior knowledge, authorization or consent.
  - g. On or about March 7, 2001, the Respondent sold or caused to be sold 1,000 shares of Lucent from KC's regular account without KC's prior knowledge, authorization or consent.

Notice of Hearing

- 3 -

- h. On or about May 18, 2001, the Respondent purchased or caused to be purchased a total of 350 shares of Exodus Communications, Inc. in two transactions for the IRA account of KC without KC's prior knowledge, authorization or consent.
  - i. **(Customer MV)** On or about August 28, 2001, the Respondent purchased or caused to be purchased 500 shares of Lucent in the account of customer MV without MV's prior knowledge, authorization or consent.
  - j. Based on the foregoing, the Respondent violated NASD Conduct Rule 2110.
- 4. 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, regulation or standard duly promulgated by the self-regulatory organization.
  - 5. That NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
  - 6. That by virtue of the foregoing, the 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.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

Furthermore, you may be requested by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

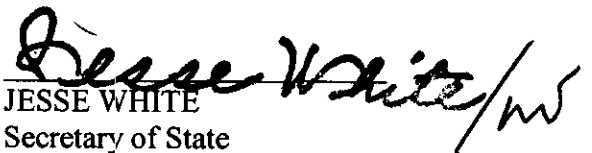
A copy of the Rules, promulgated under the Act and pertaining to Hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

Notice of Hearing

- 4 -

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent.

DATED: This 8<sup>th</sup> day of March 2005

  
JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:

Daniel Tunick  
Office of the Secretary of State  
Illinois Securities Department  
69 West Washington Street  
Suite 1220  
Chicago, Illinois 60602  
(312) 793-4433

Hearing Officer:

James G. Athas, Esq.  
180 W. Washington  
Suite 710  
Chicago, IL 60602  
(312) 357-2870