

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF.     RODNEY P MICHEL

) File No 1300177  
)

ORDER OF REVOCATION

TO THE RESPONDENT:     Rodney P. Michel (CRD# 1275392)  
                                  World Trade Financial Corp  
                                  2010 Hancock St , 2<sup>nd</sup> Fl.  
                                  San Diego, CA 92110

WHEREAS, on June 19, 2013, Jon K. Ellis, Hearing Officer for the Illinois Secretary of State Department of Securities (the "Department"), held a hearing 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, (the "Code") to determine whether an Order should be entered pursuant to Sections 8.E(1)(j) and 11 of the Act, suspending or revoking Respondent's salesperson registration in the State of Illinois, and/or granting such other relief as may be authorized under the Act.

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 Facts, Conclusions of Law and the Recommendation of the Hearing Officer in the above-captioned matter have been read and examined

WHEREAS, the Respondent failed to file an Answer to the allegations set forth in the Notice of Hearing, served on or about April 12, 2013, as instructed by the Notice and as is required by Section 130 1104 of the Code

WHEREAS, the Respondent presented no evidence, and did not appear in person or by counsel at the hearing

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

- 1 The Exhibit has been offered and received from the Department and a proper record of all proceedings has been made and preserved as required by law.

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2. The Hearing Officer has ruled on all motions and objections timely made and submitted
3. The Hearing Officer and the Secretary of State Securities Department have jurisdiction over the parties herein and the subject matter dealt with herein, due and proper notice having been previously given as required by statute in this Matter.
4. As no Answer was timely filed, the Respondent is therefore deemed to be in default.
5. At all times relevant hereto, Respondent was registered as a salesperson in the State of Illinois pursuant to Section 8 the Act.
6. FINRA (the Financial Industry Regulatory Authority) is a private, non-governmental organization that is registered with the United States Securities and Exchange Commission as a self-regulatory organization pursuant to the Securities Exchange Act of 1934.
7. At all times relevant hereto, the Respondent was FINRA-registered and employed by a FINRA-registered firm
8. On March 8, 2013, FINRA entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent and others regarding File No. 2010022543701, which sanctioned the Respondent as follows.
  - a. fined \$35,000; and
  - b. suspended from association with any FINRA member in any capacity except as a Financial Operations Principal (FINOP) from April 1, 2013, through July 31, 2013
9. The FINRA Order found the Respondent's member firm, acting through the Respondent and other principals, failed to establish, maintain, and enforce adequate supervisory procedures relating to unregistered sales of restricted securities
10. Section 8.E(1)(j) of the Act provides, *inter alia*, that the registration of a salesperson may be suspended or revoked if the Secretary of State finds that such salesperson has had membership in or association with any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act suspended, revoked, refused, expelled, cancelled, barred, limited in any capacity, or otherwise adversely affected in a similar manner 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; and

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- 11 Section 11 of the Act provides, *inter alia*, that the Secretary of State shall not suspend or revoke the registration of a salesperson, impose any fine for violation of this Act, issue an order of public censure, or enter into an agreed settlement except after an opportunity for hearing upon not less than 10 days notice given by personal service or registered mail or certified mail, return receipt requested, to the person or persons concerned. Such notice shall state the date and time and place of the hearing and shall contain a brief statement of the proposed action of the Secretary of State and the grounds for the proposed action. A failure to appear at the hearing or otherwise respond to the allegations set forth in the notice of hearing shall constitute an admission of any facts alleged herein and shall constitute sufficient basis to enter an order
- 12 By virtue of the foregoing, Respondent has violated Section 8.E of the Act and is subject to an order which revokes the Respondent's registration as a salesperson of securities in the State of Illinois pursuant to Sections 8 E(1)(j) and 11 of the Act.
- 13 The entry of a final written order of revocation is proper in this Matter, given the conduct of the Respondent as described in Secretary of State Exhibit 1

WHEREAS, the proposed Conclusions of Law are correct and are adopted by the Secretary of State as follows:

1. The actions, representations, and/or omissions of the Respondent when acting as a registered salesperson as detailed in the March 8, 2013 FINRA Letter of Acceptance, Waiver and Consent are violations of Section 8.E of the Act
2. Because of the findings of this Order and the Exhibit admitted as Secretary of State Exhibit No. 1, the Respondent is subject to the entry of a final written Order that revokes the Respondent's registration as a salesperson of securities in the State of Illinois pursuant to Sections 8.E(1)(j) and 11 of the Act, and grants such other relief as may be authorized under the Act

WHEREAS, the Hearing Officer recommends that a written Final Order be entered pursuant to Sections 8.E(1)(j) and 11 of the Act that revokes the Respondent's registration as a salesperson of securities in the State of Illinois

WHEREAS, the proposed Recommendation of the Hearing Officer is adopted by the Secretary of State

NOW THEREFORE IT IS HEREBY ORDERED. That pursuant to the foregoing Findings of Fact, Conclusions of Law, and the Recommendation of the Hearing Officer, the Respondent's registration as a salesperson in the State of Illinois is hereby REVOKED.

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ENTERED This 24<sup>th</sup> day of June, 2013



JESSE WHITE  
Secretary of State  
State of Illinois

**NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 felony for each offense.**

**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 Illinois Securities Act, [14 Ill. Admin. Code Ch. I, Section 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.**

Attorney for the Secretary of State

Shannon Bond  
Illinois Securities Department  
300 W. Jefferson St., Suite 300A  
Springfield, Illinois 62702  
Telephone: (217) 524-0648