

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: JAMES E. CLEARY JR.)
_____))

File No: 0200669

CONSENT ORDER OF REVOCATION

TO THE RESPONDENT: James E. Cleary Jr.
(CRD #: 265551)
3300 N.E. 192 Street
Averturer, Florida 33180

C/o Sterling Financial Investment
225 NE Mizner Boulevard
Suite 400
Boca Raton, Florida 33432-3945

WHEREAS, Respondent on the 1st day of April 2003 executed a certain Stipulation to Enter Consent Order of Revocation (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 February 20, 2003 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Revocations ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, while neither admitting nor denying the truth thereof, that the allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

- 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.
- 2) That on May 13, 2002 NASD Regulations, Inc (NASDR) entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding FILE NO. C07020041 which sanctioned the Respondent as follows:

- A. 30 day suspension from association with any NASD member firm in any capacity; and
 - B. \$5,000 fine.
- 3) That the AWC found that during the period from January 28, 2000 through March 21, 2000, the Respondent used high pressure sales tactics and knowingly made to customers baseless predictions of substantial price increases and material misrepresentations of fact, in connection with his solicitation of orders to purchase low-priced speculative and other securities, in violation of 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 NASDR 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 denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

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.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that his registration as a salesperson in the State of Illinois shall be revoked.

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. James E. Cleary Jr.'s registration as a salesperson in the State of Illinois shall be and is revoked.

Consent Order of Revocation

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2. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 4th day of April, 2003.


JESSE WHITE
Secretary of State
State of Illinois