

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

**IN THE MATTER OF: RICHARD A. SAITTA**

**FILE NO. 0400673**

**CONSENT ORDER OF WITHDRAWAL**

TO THE RESPONDENT:

Richard A. Saitta  
(CRD #: 2592014)  
600 Revere Drive  
Yorktown Heights, New York 10598

c/o Brookstreet Securities Corporation  
2361 Campus Drive #210  
Irvine, California 92612

WHEREAS, Respondent on the 2nd day of February 2005 executed a certain Stipulation to Enter Consent Order of Withdrawal (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 January 10, 2005 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Withdrawal ("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 September 9, 2004, Brookstreet Securities Corporation, a registered dealer, filed a Form U-4 application for registration of the Respondent as a salesperson in the State of Illinois. (the "Application").

Consent Order of Withdrawal

- 2 -

2. That on November 30, 2004, a Summary Order of Denial (the "Order") was issued by the Secretary of State denying the Application. Pursuant to the terms of the Order, the Respondent requested a hearing on December 21, 2004.
3. That on May 13, 2002 NASDR, Inc. (NASDR) accepted a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding File No. C07020040 which imposed the following sanctions:
  - a. fined \$10,000;
  - b. suspended from association with any NASD member in all capacities for a period of 30 calendar days; and
  - c. suspended from association with any NASD member in a principal capacity for a period of one year.
4. That the AWC as referred to in the preceding paragraph found:
  - a. During the periods from August 23 through September 6 and October 19 through October 26, 2000, the Respondent made certain material misrepresentations of fact in the form of unwanted predications of substantial price increases without a sufficient basis in connection with his solicitation of customers and prospective customers to purchase low-priced speculative and other securities, in violation of NASD Conduct Rule 2110.
  - b. During the period from at least June, 1998 to December, 2001, the Respondent was the branch manager and supervisor of the Emerson Bennett office located in Harrison, New York. The Respondent failed to reasonably supervise the registered representatives in his office in that they made price predications without a reasonable basis and material misrepresentations of fact in connection with the solicitations of customers and prospective customers to purchase equity securities. Such failure to supervise constitutes a separate and distinct violation of Conduct Rules 2110 and 3010.
5. 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,

Consent Order of Withdrawal

- 3 -

regulation or standard duly promulgated by the self-regulatory organization.

6. That the 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 denial pursuant to Section 8.E(1)(j) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that:

1. He shall cause to have his application for registration as a salesperson in the State of Illinois withdrawn within three (3) days from the entry of this Consent Order and will not re-apply for registration for a period of two (2) years from the entry of this Consent Order; and
2. He shall pay the sum of Seven Hundred Fifty dollars (\$750.00) to the Office of the Secretary of State, Investors Education Fund as reimbursement to cover the cost of investigation of this matter. Said sum shall be payable by means of certified or cashier's check and made to the order of the Secretary of State, Investors Education Fund and shall be due within thirty (30) days from the entry of this Consent Order.

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:

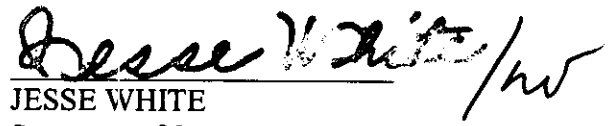
1. Richard A. Saitta shall cause to have his application for registration as a salesperson in the State of Illinois withdrawn within three (3) days from the entry of this Consent Order and shall not re-apply for registration for a period of two (2) years from the entry of this Consent Order.

Consent Order of Withdrawal

- 4 -

2. Richard A. Saitta shall pay the sum of Seven Hundred Fifty dollars (\$750.00) to the Office of the Secretary of State, Investors Education Fund as reimbursement to cover the cost of investigation of this matter. Said sum shall be payable by means of certified or cashier's check and made to the order of the Secretary of State, Investors Education Fund and shall be due within thirty (30) days from the entry of this Consent Order.
3. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 10<sup>th</sup> day of February 2005.

  
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JESSE WHITE  
Secretary of State  
State of Illinois