

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

**IN THE MATTER OF: CHRISTOPHER F. VEALE**

**FILE NO. 0500318**

**CONSENT ORDER OF WITHDRAWAL OF APPLICATION**

**TO THE RESPONDENT:** Christopher F. Veale  
(CRD#: 2536489)  
354 E. 91 Street  
Apartment 2005  
New York, New York 10128

C/o Derick Johnson  
General Counsel  
Great Eastern Securities, Inc.  
50 Broad Street  
Suite 1401  
New York, New York 10004

WHEREAS, Respondent on the 17th day of November 2005 executed a certain Stipulation to Enter Consent Order of Withdrawal of Application (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 October 14, 2005 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Withdrawal of Application ("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. On June 15, 2005, Great Eastern Securities, inc., a registered dealer, filed a Form U-4 application for registration of the Respondent as a salesperson in the State of Illinois.

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2. On September 7, 2005, a Summary Order of Denial (the "Order") was issued by the Secretary of State denying this application. Pursuant to the terms of the Order, the Respondent requested a hearing on October 11, 2005.
3. On December 22, 2004 NASD entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding File No. CLI040043 which sanctioned the Respondent as follows:
  - a. suspension from associating with any NASD member firm in any capacity for forty-five (45) calendar day;
  - b. fined the amount of \$10,000;
  - c. Restitution to customer MB in the amount of \$19,052.04; and
  - d. Restitution to customer BH in the amount of \$17,644.44.
4. The AWC found:

During the period April 2003 through December 2003, the Respondent, while registered with NASD through S.W. Bach, engaged in a pattern of trading activity that was excessive in light of the customers' objectives, financial situations and needs in the accounts of customers MB and RH.

- For customer MB, during the four-month period September 2003 through December 2003, there were eight purchases with a total cost of \$961,307.37. The turnover rate for the four-month period was 37.449 (or 112.348 annualized). The cost-to-equity ratio was 148% (or 445% annualized).
- For customer RH, during the four-month period April 2003 through July 2003, there were 13 purchases with a total cost of \$3,682,268.68. The turnover rate for the four-month period was 124.867 (or 374.602 annualized). The cost-to-equity ratio was 239.33% (or 718% annualized).

By reason of the foregoing, the Respondent violated NASD Conduct Rules 2310 and 2110.

5. 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

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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.

6. The NASD 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:

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 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.

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 Seven Hundred Fifty dollars (\$750.00). Said amount is to be paid by certified or cashier's check, made payable to the Office of the Secretary of State, Investors Education 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 Seven Hundred Fifty dollars (\$750.00) to cover costs incurred during the investigation of this matter. Said check has been made payable to the Office of the Secretary of State, Investors Education Fund.

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 Respondent 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.

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2. The Respondent is levied costs of investigation in this matter in the amount of Seven Hundred Fifty dollars (\$750.00), payable to the Office of the Secretary of State, Investors Education Fund, and on November 17, 2005 has submitted Seven Hundred Fifty dollars (\$750.00 in payment thereof.
3. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 21<sup>st</sup> day of November 2005.

  
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JESSE WHITE  
Secretary of State  
State of Illinois