

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

IN THE MATTER OF: MICHAEL J. RESCINITI)
_____)

FILE NO. 0700262

Order of Revocation

TO THE RESPONDENT:

Michael H. Resciniti
(CRD#: 4006304)
63 Jamaica Drive
Sound Beach, New York 11789

C/o New Castle Financial Services, LLC
535 Broad Hollow Road
Second Floor, Suite A-2
Melville, New York 11747

WHEREAS, the above-captioned matter came on to be heard on August 29, 2007, pursuant to the Notice of Hearing dated July 11, 2007, filed by Petitioner Secretary of State, and the record of the matter under the Illinois Securities law of 1953 [815 ILCS 5] (the "Act") has been reviewed by the Secretary of State or his duly authorized representative.

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 Fact, conclusions of Law and Recommendations of the Hearing Office, George Berbas, Esq., in the above-captioned matter have been read and examined.

WHEREAS, the proposed Findings of Fact of the Hearing Officer are correct in part and incorrect in part and are hereby adopted as modified as the Findings of Fact of the Secretary of State:

1. The Department served Respondent with the Notice of Hearing on July 14, 2007.

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2. Respondent failed to appear either by himself or through his attorney at the hearing on August 29, 2007, and also failed to respond or otherwise answer to the allegations in the complaint.
3. Due notice having been given to the Respondent, and Respondent having failed to appear, the Department was allowed to proceed to a Default Hearing.
4. At all relevant times Mr. Resciniti was registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act.
5. On April 30, 2007, NASD entered a decision regarding Disciplinary Complaint No. EL120030562-01, which sanctioned Respondent as follows:
 - a. Suspended Respondent from association with any NASD member firm in any capacity for a period of ten (10) business days;
 - b. Respondent was fined \$5,000.00, and
 - c. Respondent was ordered to pay restitution to customer BC in the total amount of \$10,842.03, plus interest.

Moreover, the Order found that the Respondent Resiniti:

- a. During the period from approximately September 17, 2003, through September 29, 2003, the Respondent effected, or caused to be effected, a series of transactions in the account of Continental (Respondent's employing firm) customer BC, without the customer's prior knowledge, authorization, or consent
- b. Specifically, the Respondent purchased 10,000,000 shares of Virtual Gaming Enterprise ("VGME") stock at a price of \$0.005 per share and sold such shares in a series of at least eleven separate transactions for prices ranging from \$0.003 to \$0.005 per share.
- c. Customer BC was traveling outside of the United States, in Asia, for the period from August 27, 2003, through November 4, 2003, and did not authorize these transactions.
- d. As a result of these unauthorized transactions, Customer BC sustained a loss in his account of approximately \$10,822. Accordingly, as alleged in the Complaint, Respondent violated NASD Conduct Rule 2110.

WHEREAS, the Secretary of State adopts the following additional findings of fact which (1) were alleged in the Notice of Hearing and deemed admitted due to the Respondent's failure to answer or appear at the Hearing, and (2) proved at the Hearing.

6. 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 an 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 or any rule, regulation or standard duly promulgated by the self-regulatory organization.
7. NASD is self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
8. 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, the proposed Conclusions of Law made by the Hearing Officer are correct and are hereby adopted as the Conclusions of Law of the Secretary of State:

1. The Department properly served the Notice of Hearing on Respondent on July 14, 2007.
2. The Secretary of State has jurisdiction over the subject matter hereof pursuant to the Act.
3. Respondent failed to answer or otherwise appear at the hearing in accordance with Section 130.1104, therefore,
 - a. The allegations contained in the Notice of Hearing are deemed admitted.
 - b. Respondent waived his right to a hearing.
 - c. Respondent is subject to an Order of Default.
4. That on April 30, 2007, NASD entered a decision regarding Disciplinary Complaint No. EL120030562-01, which barred Respondent from association in any capacity with any member of the NASD. Section 8.E(1)(j) of the Illinois Securities Law provides, 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 197 Act arising from any fraudulent or deceptive act or a practice in violation of any rule,

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

5. The Department proved the allegations contained in the complaint in the Default prove-up hearing on August 29, 2007.

WHEREAS, the Secretary of State adopts the following additional Conclusion of Law in accord with Conclusions of Law #4 and #5, above:

Respondent Michael J. Resciniti's registration as a salesperson in the State of Illinois is subject to REVOCATION.

WHEREAS, the Hearing Office recommended that the Secretary of State would REVOKE the Respondent Michael J. Resciniti's registrations as a salesperson in the State of Illinois, and the Secretary of State adopts in its entirety the Recommendation made by the Hearing Officer.

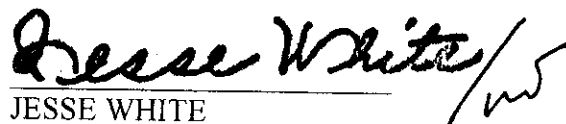
NOW THEREFORE, IT SHALL BE AND IS HEREBY ORDERED:

1. Respondent Michael J. Resciniti's registration as a salesperson in the State of Illinois is REVOKED pursuant to the authority provided under Sections 8.E(1)(j) of the Act.
2. This matter is concluded without further proceedings.

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.

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. 1, 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.

ENTERED THIS 11th day of January, 2008



JESSE WHITE
Secretary of State
State of Illinois

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