

**NASD
OFFICE OF HEARING OFFICERS**

Department of Market Regulation,

Complainant,

v.

Carl Cirillo (CRD No. 1321207)
[REDACTED]
[REDACTED]

Respondent.

Disciplinary Proceeding
No. 20050000286-03

Hearing Officer -- David M. Fitzgerald

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

INTRODUCTION

Disciplinary Proceeding No. 20050000286-03 was filed on October 20, 2006, by the Market Regulation Department of NASD ("Complainant"). Respondent Carl Cirillo submitted an Offer of Settlement ("Offer") to Complainant on March 26, 2007. Pursuant to Code of Procedure Rule 9270(e), the Complainant and the National Adjudicatory Council ("NAC") Review Subcommittee or the Office of Disciplinary Affairs ("ODA") have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to Code of Procedure Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented for the purpose of this proceeding only, without admitting or denying the allegations of the Complaint, and solely for the purposes of this proceeding and any other proceeding in which NASD is a party, to the entry of findings of facts and violations consistent with the allegations of the Complaint, and to the imposition of the sanction set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by NASD.

BACKGROUND

Cirillo has been employed in the securities business since July 1985. Since then, he has worked at ten member firms. From approximately March 2000 through July 2004, he was a registered General Securities Representative with member firm Delta Asset Management Co. ("Delta"). He has no disciplinary history.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

In or about July and August 2002 Respondent Carl Cirillo ("Cirillo"), while a registered representative of member firm Delta Asset Management Co. ("Delta"), employed fraudulent sales practices when, in a private placement, he recommended and sold to two customers units of Delta Capital Holdings ("DCH"), a company with minimal assets and no business operations that was owned and controlled by his stepfather. In addition, Cirillo offered a guarantee against loss to one of the customers.

Based on the foregoing, Respondent violated Section 10(b) of the Exchange Act, SEC Rule 10b-5, and NASD Conduct Rules 2110, 2120 and 2330(e).

Based on these considerations, the sanction hereby imposed by the acceptance of the Offer is in the public interest, is sufficiently remedial to deter Respondent from any future misconduct, and represents a proper discharge by NASD of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTION

It is ordered that Respondent be suspended in all capacities for 60 days and fined \$12,000, payable in 12 monthly installments commencing upon his reassociation with a member firm following the suspension.

Pursuant to IM-8310-2(f), suspension shall become effective upon approval or acceptance of this Order by the NAC.

SO ORDERED.

NASD



Cameron K. Funkhauser
Senior Vice President
Market Regulation Department

on behalf of the Director of ODA, pursuant
to delegated authority