

**NASD
OFFICE OF HEARING OFFICERS**

Market Regulation Department,

Complainant,

v.

David Sanducci
(CRD No. 2370405),

Respondent.

Disciplinary Proceeding
No. CMS 040165
Hearing Officer: SNB

**ORDER ACCEPTING
OFFER OF SETTLEMENT OF
DAVID SANDUCCI**

Date: March 21, 2006

Disciplinary proceeding number CMS 040165 was filed on October 11, 2004 by the Department of Market Regulation of NASD ("Complainant"). Respondent David Sanducci submitted an Offer of Settlement ("Offer") to Complainant on March 1, 2006. 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, without admitting or denying the allegations of the Complaint, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of NASD, or to which NASD is a party, to the entry of findings 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

David Sanducci ("Sanducci"), age 35, entered the securities industry in 1993 as a general securities representative at Chatfield Dean & Co., Inc. Between 1994 and 2000, Sanducci was employed as a registered representative at seven different broker-dealers. He was first registered as a general securities principal in 2000 at Concord Equity Group, LLC. In January 2001, he joined Park Capital as a general securities principal and options principal. In January 2004, he left Park Capital for Clayton, Dunning & Company where he is currently registered as a general securities principal.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows¹:

Sanducci, while employed as a salesperson at Park Capital Securities, LLC and while acting individually and as a member of a sales group, participated in a fraudulent scheme to sell shares of Cordia Corporation ("Cordia") to Park Capital's customers. As part of that scheme, Sanducci employed classic, boiler-room techniques to induce customers to purchase Cordia, to dissuade customers from selling Cordia, and to avoid responsibility to those customers in connection with his misconduct. These techniques included high-pressured sales pitches, material misrepresentations and omissions of fact relating to Cordia, and unauthorized transactions in customer accounts. Based on the foregoing, Respondent Sanducci violated Section 10(b) of the

¹ The findings herein are pursuant to David Sanducci's Offer of Settlement and are not binding on any other person or entity named as a respondent in this or any other proceeding.

Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder, and NASD Conduct Rules 2110 and 2120.

Sanducci also failed to provide his customers with disclosures concerning the risks associated with investing in penny stocks as required by Section 15(g) of the Exchange Act and the rules thereunder. As a result, Sanducci violated Section 15(g) of the Exchange Act and Rules 15g-2, 15g-3 and 15g-9 thereunder and NASD Conduct Rule 2110.

Finally, in connection with NASD’s investigation of Park Capital Securities, Sanducci violated NASD Procedural Rule 8210 by providing false and misleading sworn testimony denying his role as a supervisor at Park Capital Securities.

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

SANCTION

It is ordered that Respondent David Sanducci shall be barred permanently from association with any NASD member in any capacity.

The sanction imposed herein shall be effective on a date set by NASD staff. Pursuant to IM-8310-2(f), a bar or expulsion shall become effective upon approval or acceptance of this Order by the NAC.

SO ORDERED.

NASD

By: _____

Cameron K. Funkhouser
Senior Vice President
Market Regulation Department

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