

NEW JERSEY BUREAU OF SECURITIES
153 Halsey Street
P.O. Box 47029
Newark, New Jersey 07101

RECEIVED
BUREAU OF SECURITIES
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IN THE MATTER OF :
 :
CARL BARONE; JOSEPH : Administrative Action
BENINATO; STEPHEN BIALON; : OAL DKT. NO. BOS 5368-03
JOSEPH BOSCIA; THOMAS J. :
BRADEN; MICHAEL J. BROWN; : CONSENT ORDER AS TO
PAT CENICOLA; OSCAR K. : JOHN SANTORO
CHAMBERS; JOSEPH A. CLAIRE; :
EDWARD M. CROWLEY; RICHARD :
D'AMBOLA; BRUCE DEHAVEN; :
GARY FILLWEBER; MICHAEL :
FLEYZOR; KENNETH J. FRANCO; :
FRANK GUIDA; STEPHEN J. :
LARKIN; THOMAS McCABE; JACK :
MOLONEY; OSCAR OLSEN; :
MICHAEL PRENDERGAST; FRANK :
PEREZ; MICHAEL PETRULLA; :
JAMES P. PHILBIN; MANUEL :
PRIETO; JOHN SANTORO; :
JEFFREY SLOAN; and LOUIS :
SOTO. :

WHEREAS, pursuant to the provisions of N.J.A.C. 1:1-19.1(c),
Marc B. Minor, ^{MBM}~~Acting~~ Chief of the New Jersey Bureau of Securities
(the "Bureau"), by and through Christopher W. Gerold, Deputy
Attorney General, has agreed to resolve the above-captioned action
with Respondent John Santoro ("Santoro");

WHEREAS, the Bureau filed an Administrative Complaint against
Santoro on December 16, 2002 ("Complaint");

WHEREAS, the Complaint alleged that certain promissory notes,
which were allegedly guaranteed by insurance companies (the
"Promissory Notes"), were sold in violation of the Uniform

Securities Law (1997), N.J.S.A. 49:3-47 et seq. ("Securities Law");

WHEREAS, the Complaint alleged that Chambers violated the following provisions of the Securities Law: (a) N.J.S.A. 49:3-60, by selling the Promissory Notes even though they were not registered with the Bureau and did not qualify for an exemption from registration or were a covered security; (b) N.J.S.A. 49:3-56(a), by selling securities without being registered with the Bureau; and (c) N.J.S.A. 49:3-52(b), by using promotional materials prepared by the issuer of the Promissory Notes that represented that the Promissory Notes were "'Commercial Notes' under exempt security status" or omitting to state material facts necessary to make the statements made, in the light of the circumstances under which they were made, not misleading;

WHEREAS, N.J.S.A. 49:3-60 and N.J.S.A. 49:3-56(a) are strict liability provisions and a violation of N.J.S.A. 49:3-52 does not require a finding that the alleged violator acted with the intent to deceive or "scienter;"

WHEREAS, the Bureau sought partial summary decision against Santoro for violations of N.J.S.A. 49:3-60, and N.J.S.A. 49:3-56(a);

WHEREAS, on August 12, 2004, the Office of Administrative Law ("OAL") granted the Bureau's motion for partial summary decision ("Initial Decision") as to Counts I, II, and III of the Complaint as to liability only;

WHEREAS, on September 21, 2004, the Bureau Chief issued a Final Decision and Order Adopting the OAL Partial Summary Decision With Amendments ("Bureau Chief's Final Decision");

WHEREAS, the Bureau has, without agreeing to vacate the Bureau Chief's Final Decision, agreed to settle this matter to avoid the cost and inconvenience of further litigation;

NOW, THEREFORE, on this 10 day of April 2009, the parties agree to the form and content of this Order:

1. Santoro is assessed a civil monetary penalty of \$20,000.00 pursuant to N.J.S.A. 49:3-70.1.

2. Santoro shall pay \$200.00 to the Bureau at the time Santoro returns a signed copy of this Consent Order to the Bureau. The remaining \$19,800.00 of the civil monetary penalty required by paragraph 1 shall be made: (1) in equal monthly payments of \$200.00 to the Bureau, due no later than the first of each month beginning May 1, 2009 and ending March 1, 2012; and (2) an additional payment of \$4,266.66 shall be made on March 1, 2010, March 1, 2011, and March 1, 2012. All payments shall be made payable to the "Bureau of Securities, State of New Jersey," and mailed to P.O. Box 47029, Newark, New Jersey 07101.

3. Santoro shall cease and desist from future violations of the Uniform Securities Law.

4. Santoro agrees not to reapply with the Bureau as a

broker-dealer, an agent of a broker-dealer, investment adviser, or investment adviser representative as defined by the Securities Law.

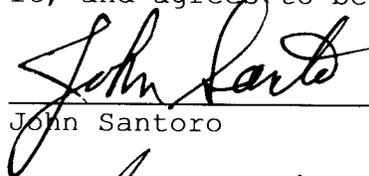
5. Santoro is denied all exemptions contained in N.J.S.A. 49:3-50 subsection (a) paragraphs 9, 10, and 11 and subsection (b).

6. Santoro is denied all exemptions to the registration requirements provided by N.J.S.A. 49:3-56(b), N.J.S.A. . 49:3-56(c) and N.J.S.A. 49:3-56(g) .

7. It is further agreed that pursuant to N.J.A.C. 1:1-19(d) that this Consent Order shall be deemed the final decision as to Santoro.

8. This Consent Order shall not bind any person not a party thereto.

Each of the undersigned has read this Consent Order, understands it, and agrees to be bound by its terms.



John Santoro

DATED: April 10, 2009



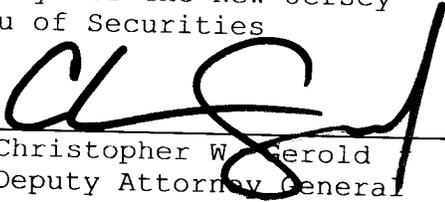
Marc B. Minor
Chief, Bureau of Securities

DATED: April 13th, 2009

Consent as to the form and entry of this Order.

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, New Jersey 07102
Attorney for the New Jersey
Bureau of Securities

BY:



Christopher W. Gerold
Deputy Attorney General

DATED:

April 14, 2009