STATE OF NEW JERSEY
BUREAU OF SECURITIES
153 Halsey Street, 6th Floor
P.O. Box 47029
Newark, New Jersey 07101

IN THE MATTER OF: WALLSTREET*E FINANCIAL SERVICES, INC. (CRD#43896); CARLOS FRANCISCO OTALVARO (CRD#2294420); and FRANK CHARLES DONNAURO (CRD#1952493).	**CONSENT ORDER**

Pursuant to the authority granted to the Chief of the New Jersey Bureau of Securities ("Bureau Chief") under the Uniform Securities Law (1997), N.J.S.A. 49:3-47 et seq. (the "Securities Law"), including without limitation N.J.S.A. 49:3-58(e), and at the request of Wallstreet*E Financial Services, Inc., formerly known as WallStreet Electronica, Inc., (CRD#43896) ("WSE") and Carlos Francisco Otalvaro (CRD#2294420) ("Otalvaro"), the Bureau Chief hereby finds that there is good cause and it is in the public interest to enter this Consent Order amending the Administrative Consent Order of December 3, 2009 entered by the Bureau Chief as to WSE and Otalvaro, to include WSE's voluntary withdrawal of its broker-dealer registration and agreement to never reapply to the Bureau for such registration.

The Bureau Chief makes the following findings of fact:

1. The Bureau Chief entered a Summary Order on August 13, 2009 ("Summary Order") against WSE, Otalvaro and others, which, among other things, revoked the broker-dealer registration of WSE and the agent registration of Otalvaro.

2. WSE and Otalvaro contested the Summary Order, which resulted in a contested case that the New Jersey Bureau of Securities ("Bureau") transmitted to the Office of Administrative Law.

3. The Bureau Chief, WSE, and Otalvaro resolved the contested case relating to the Summary Order through an Administrative Consent Order ("Administrative Consent Order"), which was signed by Otalvaro, on behalf of himself and WSE, on November 25, 2009, and entered by the Bureau Chief on December 3, 2009.[1] The Administrative Consent Order is a final decision under N.J.A.C. 1:1-19.1.

4. Under the Administrative Consent Order, WSE and Otalvaro were, among other things, jointly and severally liable for a $210,000.00 civil monetary penalty assessed against them by the Bureau Chief.

5. The public interest is furthered by this Consent Order, and specifically by WSE ending its operation in New Jersey as a broker-dealer through its voluntary withdrawal.

THEREFORE, based on the Bureau Chief's findings, it is on this 11th day of December 2009, **HEREBY ORDERED AND AGREED** that:

1. The Administrative Consent Order is amended as follows.

a. Paragraph thirty is deleted and replaced with the following:

30. WSE will voluntarily withdraw its broker-dealer and any other registration with the Bureau through the procedures stated in N.J.A.C. 13:47A-1.11 by no later than February 1, 2010. WSE's withdrawal under this paragraph will be effective on February 1, 2010.

(a) If WSE fails to timely withdraw its registration as stated in this paragraph, the Bureau Chief will revoke the broker-dealer and any other registration of WSE through a Summary Order that WSE will not contest. WSE's failure to withdraw constitutes good and sufficient cause for revocation.

[1] Attached as Exhibit A is a true and accurate copy of the Administrative Consent Order. The Bureau Chief entered the Administrative Consent Order on December 3, 2009, but inserted the date in on December 9, 2009.

(b) WSE waives all exemptions contained in N.J.S.A. 49:3-50, including those in subsection (a) paragraph 9, 10 and 11 and subsection (b). WSE further waives all exemptions to registration requirements, including those under 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).

(c) WSE and Otalvaro agree that WSE, including its successors and any entity owned or controlled by Otalvaro, will never reapply or apply with the Bureau for registration in any capacity.

b. Paragraph thirty three of the Administrative Consent Order is modified to add the bolded language:

33. Otalvaro shall not directly or indirectly supervise any persons registered or who should be registered with the Bureau as agents or investment adviser representatives. **[Until WSE's broker-dealer registration is withdrawn or revoked,]** a person other than Otalvaro who is Series 24 qualified and is registered with the Bureau as an agent shall supervise persons who are registered with the Bureau as agents or investment adviser representatives of WSE.

c. Subparagraph b. of paragraph thirty four of the Administrative Consent Order is deleted.

2. This Consent Order only amends the paragraphs of the Administrative Consent Order stated above and has no other effect on the Administrative Consent Order, which remains a final decision in full force and effect subject to the amendments herein. This Consent Order does not expand the scope of the dispute resolved by the Administrative Consent Order, which was limited to the Summary Order.

3. The Administrative Consent Order, as amended by this Consent Order, is intended to embody the entire agreement and understanding between the parties with respect to the subject matter. Any other addition, deletion or change to the Administrative Consent Order must be in writing and signed by all parties to be bound by the addition, deletion or change.

4. The "General Provisions" of the Administrative Consent Order are incorporated into this Consent Order as if stated herein.

Marc B. Minor
Chief, New Jersey Bureau of Securities

Consent to the Form and Entry of this
Consent Order:

Locke Lord Bissell & Liddell LLP
Attorneys for Respondents WallStreet Electronica, Inc. (CRD#43896)
& Carlos Francisco Otalvaro (CRD#2294420)

By: _____ Dated: December ___, 2009
Alan M. Wolper, Esq.

Respondents WallStreet Electronica, Inc. (CRD#43896)
& Carlos Francisco Otalvaro (CRD#2294420)

By: _____ Dated: December ___, 2009
Carlos Francisco Otalvaro

4. The "General Provisions" of the Administrative Consent Order are incorporated into this Consent Order as if stated herein.

Marc B. Minor
Chief, New Jersey Bureau of Securities

Consent to the Form and Entry of this
Consent Order:

Locke Lord Bissell & Liddell LLP
Attorneys for Respondents WallStreet Electronica, Inc. (CRD#43896)
& Carlos Francisco Otalvaro (CRD#2294420)

By: Alan M. Wolper, Esq. Dated: December 11, 2009

Respondents WallStreet Electronica, Inc. (CRD#43896)
& Carlos Francisco Otalvaro (CRD#2294420)

By: Carlos Francisco Otalvaro Dated: December 11, 2009

EXHIBIT A

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Division of Law
P.O. Box 45029
124 Halsey Street
Newark, NJ 07101

By: Samuel Scott Cornish
Deputy Attorney General
(973) 648-3730

OFFICE OF ADMINISTRATIVE LAW
Docket No. BOS-11168-2009N

IN THE MATTER OF: WALLSTREET ELECTRONICA, INC. (CRD#43896); CARLOS FRANCISCO OTALVARO (CRD#2294420); and FRANK CHARLES DONNAURO (CRD#1952493).	**ADMINISTRATIVE CONSENT ORDER**

Pursuant to the authority granted to the Chief of the New Jersey Bureau of Securities ("Bureau Chief") by the Uniform Securities Law (1997), N.J.S.A. 49:3-47 et seq. (the "Securities Law"), and after investigation of the facts involving WallStreet Electronica, Inc. (CRD#43896) and Carlos Francisco Otalvaro (CRD#2294420) (collectively, "Respondents"), and the Bureau Chief having entered a Summary Order on August 13, 2009 against WSE, Otalvaro and others (the "Summary Order"), and WSE and Otalvaro having contested the Summary Order, and Otalvaro having previously withdrawn his agent registration with the Bureau, and the Bureau Chief (represented by Samuel Scott Cornish, Deputy Attorney General) and Respondents (represented by Alan M. Wolper, Esq. of Locke Lord Bissell & Liddell LLP) now desire to resolve this matter and consent to the form and entry of this Administrative Consent Order ("Consent Order").

The Bureau Chief makes the following findings of fact and conclusions of law:

I. THE RESPONDENTS

1. WallStreet Electronica, Inc. (CRD#43896) ("WSE") is a Florida corporation with offices at 5201 Blue Lagoon Drive, Suite 250 Miami, Florida. WSE has been registered with the New Jersey Bureau of Securities (the "Bureau") as a broker-dealer since March 17, 1998. As of the date of the entry of this Summary Order, WSE had one active branch office in New Jersey and five individuals registered with the Bureau as "agent[s]," as defined under N.J.S.A. 49:3-49(b).

2. WSE is subject to an order of another state securities regulator. Specifically, in May 2002, the New Hampshire Bureau of Securities Regulation ("N.H. Bureau") found that from 1998 to 2001 WSE had traded in the accounts of seven New Hampshire investors while not being properly licensed. On May 31, 2002, WSE and the N.H. Bureau entered into a Consent Order under which WSE was required to close the investment accounts of all New Hampshire residents. Based on WSE's eventual violation of that Consent Order, in July 2006, the N.H. Bureau issued a Cease and Desist Order. The July 2006 Cease and Desist Order was resolved under a Consent Order, dated November 21, 2006, that "barred [WSE] from licensing and doing business in the State of New Hampshire, and [required WSE to] close all New Hampshire accounts."

3. Carlos Francisco Otalvaro (CRD#2294420) ("Otalvaro"), who resides in Coral Gables, Florida, is the president and a principal of WSE. Otalvaro has been registered with the Bureau as an agent, as defined under N.J.S.A. 49:3-49(b), of WSE since April 28, 1998. On or about December 8, 2008, Otalvaro voluntarily terminated his registration with the Bureau, and has not been registered with the Bureau since that date. At all relevant times, Otalvaro was

charged by WSE's supervisory procedures with the duty of supervising the agents discussed below.

4. Frank Charles Donnauro (CRD#1952493) ("Donnauro"), who resides in Brooklyn, New York, was registered with the Bureau as an agent of WSE from November 15, 2001 to February 27, 2004. On August 17, 2005, Donnauro was barred, pursuant to NASD Rule 9552, from acting as a registered representative for his failure to provide information to the National Association of Securities Dealers ("NASD"), n/k/a the Financial Industry Regulatory Authority. At all relevant times, Donnauro owned and controlled the "Peradon" entities discussed below.

II. UNDERLYING SECURITIES LAW VIOLATIONS OF DONNAURO AND OTHER WSE/PERADON AGENTS

5. From approximately January 2002 to June 2004, while an agent of WSE, Donnauro operated four securities-related businesses from offices in Middletown and Tinton Falls, New Jersey.

6. Donnauro operated Peradon Capital Securities, Inc.[1] ("Peradon Retail Office") as a "full service brokerage" firm that "traded through [WSE]." As one part of the Peradon Retail Office's business, it sold publicly-traded equities, mutual funds, bonds, and options under the terms of its agreements with WSE. Those agreements permitted Donnauro and Peradon Retail Office to hire additional agents to work from the Peradon Retail Office, which WSE, as the broker-dealer, would register with the Bureau as its agents. WSE would then pay Donnauro and the agents he hired (the "WSE/Peradon Agents") commissions based on their sales of securities through WSE. Under WSE's supervisory procedures, Otalvaro, on behalf of

[1] Peradon Capital Securities, Inc. was a Florida corporation Donnauro incorporated on July 17, 2000 and dissolved on or about October 1, 2004.

WSE, was the Designated Principal charged with the duty of supervising the WSE/Peradon Agents.

7. At the same time and from the same New Jersey locations, the Peradon Retail Office, through Donnauro and the other WSE/Peradon Agents, fraudulently offered and sold approximately $922,161.70 of unregistered securities, in the form of limited partnership interests (the "Peradon Securities") issued by two purported hedge funds that Donnauro operated, Peradon Capital Fund, Ltd.[2] ("Peradon Capital Fund") and Peradon Capital Fund of Funds, Ltd.[3] ("Peradon Fund of Funds") (collectively, the "Peradon Hedge Funds"). The Peradon Hedge Funds were managed by Peradon Capital Fund Management, LLC[4] ("Peradon Management"), which Donnauro and another officer controlled from their New Jersey offices.

8. While acting as agents under the supervision of WSE, the WSE/Peradon Agents offered and sold the Peradon Securities by cold calling potential investors and contacting existing clients. After a potential investor expressed interest, the WSE/Peradon Agents sent the potential investor the Peradon Retail Office's promotional brochures, which promoted Peradon Retail Office's traditional brokerage service (e.g., selling equities and bonds through WSE) and the Peradon Hedge Funds (described as Peradon Retail Office's "proprietary funds"). In addition, Donnauro and the WSE/Peradon Agents sent investors letters, various "Confidential Private Offering Memoranda" ("POM"), and "Operating Agreements" of the Peradon Hedge Funds.

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[2] Peradon Capital Fund, Ltd. ("Peradon Capital Fund") was a limited partnership that Donnauro organized under the laws of Florida on July 25, 2000 and dissolved on or about October 1, 2004.

[3] Peradon Capital Fund of Funds, Ltd. ("Peradon Fund of Funds") was a limited partnership that Donnauro organized under the laws of Florida on February 26, 2002 and dissolved on or about September 26, 2003.

[4] Peradon Capital Fund Management, LLC ("Peradon Management") was a limited liability company organized under the laws of Florida on June 23, 2000 and dissolved on or about October 1, 2004.

9. The Peradon solicitation materials stated that each investor was entitled to a percentage of the Peradon Hedge Funds' gains, including capital appreciation and investment income, based on the investor's proportional interest. To earn income and appreciate capital, the Peradon solicitation materials falsely stated that Peradon Management would pool and then invest investors' funds through each Peradon Hedge Fund's purportedly-unique investment strategy.

10. For selling the Peradon Securities, the WSE/Peradon Agents were paid a commission by Donnauro, the Peradon Retail Office or the Peradon Hedge Funds.

11. In total, Donnauro and the other WSE/Peradon Agents raised approximately $922,161.70 by selling the unregistered Peradon Securities. Specifically:

a. For the Peradon Capital Fund, the WSE/Peradon Agents raised approximately $797,161.70 by selling unregistered limited partnership interests to thirty-eight investors, two of which were New Jersey residents.

b. For the Peradon Fund of Funds, during 2002 and 2003, the WSE/Peradon Agents raised approximately $125,000.00 by selling unregistered limited partnership interests to three investors, two of which were New Jersey residents.

12. Rather than investing the funds obtained from investors, Donnauro diverted and misapplied most of the investors' funds to the Peradon Retail Office, Donnauro, and Donnauro's unrelated businesses by:

a. misapplying approximately $527,000.00 from the Peradon Hedge Funds to the Peradon Retail Office by causing the Peradon Hedge Funds to purchase the stock of and loan money to the Peradon Retail Office;

b. misapplying approximately $76,000.00 from the Peradon Hedge Funds to purchase and operate Donnauro's Wise Food, Inc. potato chip distribution and sales operation;

c. diverting approximately $50,000.00 to Donnauro and another officer through transfers designated as "officer loans," which were never paid back; and

d. paying Peradon Management, including Donnauro, approximately $274,000.00 in management fees, an amount that far exceeds the 2%-of-market-value management fee stated in the Peradon solicitation materials.

13. 13. In total, during the period of 2000 to 2004, approximately $513,424.02 of investors' funds were deposited into investment accounts, and approximately $448,719.71 were withdrawn from those accounts. On average, the Peradon Hedge Funds' investment accounts held no more than $52,174.77 of securities during the months between December 2000 and December 2003.

14. 14. Through the conduct found above, the WSE/Peradon Agents, Peradon Retail Office, and Peradon Hedge Funds violated the Securities Law as follows:

a. Acting As Unregistered Broker-Dealers: Under N.J.S.A. 49:3-56(a), it is unlawful for any person to act as a broker-dealer without being registered with the Bureau, unless the person is exempt from registration. In connection with their offering and selling of the Peradon Securities, the Peradon Retail Office and Donnauro acted as unregistered broker-dealers of the Peradon Hedge Funds through the conduct found herein, including, but not limited to: paying the WSE/Peradon Agents commissions for

selling the Peradon Securities; sending potential investors the Peradon solicitation materials; and receiving and allocating funds obtained through the sale of the Peradon Securities. Neither the Peradon Retail Office nor Donnauro were registered with the Bureau as a broker-dealer. Accordingly, in connection with each offer and sale of a Peradon Security, the Peradon Retail Office and Donnauro violated N.J.S.A. 49:3-56(a);

b. Employing Unregistered Agents: Under N.J.S.A. 49:3-56(h), it is "unlawful for any broker-dealer or issuer to employ an agent in this State unless the agent is registered." By employing the unregistered WSE/Peradon Agents to offer and sell the Peradon Securities, Donnauro and the Peradon Retail Office violated N.J.S.A. 49:3-56(h) in connection with each offer and sale of a Peradon Security;

c. Selling Unregistered Securities: N.J.S.A. 49:3-60 states it is "unlawful for any security to be offered or sold in this State unless . . . [t]he security is registered." The Peradon Securities were not registered with the Bureau. Thus, the WSE/Peradon Agents, Peradon Retail Office, and Peradon Hedge Funds violated N.J.S.A. 49:3-60 in connection with each offer and sale of a Peradon Security; and

d. Fraudulently Selling Securities: N.J.S.A. 49:3-52(b) and N.J.S.A. 49:3-52(c) prohibit, respectively, the following conduct in connection with the offer or sale of a security: misrepresenting or omitting material facts; and engaging in an act, practice, or course of business that operates as a fraud. The Peradon Retail Office, Peradon Hedge Funds, and WSE/Peradon

Agents provided investors with the Peradon solicitation materials, which falsely stated that investors' funds would be pooled and invested. In truth, Donnauro used his control of the Peradon Hedge Funds and Peradon Retail Office to misapply and divert investors' funds to, among other things, Donnauro's potato chip business, the Peradon Retail Office, and Donnauro. Based on the conduct found in this Summary Order, the WSE/Peradon Agents, Peradon Retail Office, and Peradon Hedge Funds violated N.J.S.A. 49:3-52(b) and N.J.S.A. 49:3-52(c) in connection with each offer and sale of a Peradon Security. Each offer and sale of a Peradon Security was a separate violation of N.J.S.A. 49:3-52(b) and N.J.S.A. 49:3-52(c) by the WSE/Peradon Agents, Peradon Retail Office, and Peradon Hedge Funds.

III. WSE FAILED TO REASONABLY SUPERVISE DONNAURO AND THE OTHER WSE/PERADON AGENTS BY NOT DETECTING AND PREVENTING THEIR UNAUTHORIZED SECURITIES TRANSACTIONS AND BUSINESS ACTIVITIES, AND THEIR RESULTING VIOLATIONS OF THE SECURITIES LAW

15. WSE and Otalvaro should have been aware of Donnauro's operation of the Peradon Hedge Funds and the WSE/Peradon Agents' sale of the Peradon Securities from the Peradon Retail Office. WSE and Otalvaro did not sufficiently inquire with the WSE/Peradon Agents regarding those activities. Accordingly, WSE and Otalvaro failed to reasonably supervise the WSE/Peradon Agents.

A. WSE and Otalvaro Should Have Been Aware of the Peradon Hedge Funds.

16. Otalvaro, as their Designated Principal, was charged by WSE's Supervisory Procedures with the duty of supervising Donnauro and the other WSE/Peradon

Agents to ensure their compliance with, among other things, the rules relating to outside business activities and private securities transactions. Under WSE's Supervisory Procedures, Otalvaro was supposed to provide prior written approval before any WSE/Peradon Agent could engage in any outside business activity. Additionally, WSE's Supervisory Procedures prohibited the WSE/Peradon Agents from "[1] raising money for any business enterprise without prior written approval of [WSE] . . . [2] the solicitation or sale of stocks, bonds, limited partnership interests, or the securities, other than through the Company . . . [3] solicit[ing] clients of [WSE] to invest in personal companies of others."

17. WSE, through Otalvaro, should have been aware of Donnauro's operation of the Peradon Hedge Funds, but did not require Donnauro to comply with WSE's Supervisory Procedures or attempt to stop his unauthorized outside business activity. Furthermore, Oltavaro failed to inquire with Donnauro and the WSE/Peradon Agents regarding their unauthorized securities transactions, such as their sale of the Peradon Securities.

18. Before Donnauro was registered as its agent, WSE was aware of Donnauro's management of the Peradon Capital Fund because, on July 3, 2001, Donnauro opened a brokerage account with WSE for the Peradon Capital Fund. Donnauro stated on Peradon Capital Fund's brokerage application that the entity's type of business was "investment."

19. Otalvaro admitted while under oath that when he interviewed Donnauro, in October or November 2001, he was aware that, previous to his association with WSE, Donnauro had operated hedge funds and that these hedge funds had accounts with WSE.

20. In December 2001, Otalvaro amended Donnauro's Form U4 on the Central Registration Depository ("CRD") to add the following disclosure regarding outside business activities: "Private Management Company. Peradon Capital Fund Management LLC. He is

currently President. Start date 7/2000 works about 200 [sic] hours a week. Makes investment for the company." Thus, not only did Otalvaro amend Donnauro's Form U4 to disclose Donnauro's relationship with the Peradon Capital Fund, but this information has been accessible on the CRD since December 2001.

21. Additionally, communications between Donnauro and Otalvaro demonstrate that Otalvaro should have been aware of Donnauro's historic participation in the business activities of the Peradon Capital Fund. For instance, on May 9, 2002, Otalvaro sent Donnauro an e-mail stating: "I have an independent coming onboard. He is interested in setting up his hedge fund. Can you please provide me a draft of your hedge fund agreement." In response, Donnauro stated in an e-mail to Otalvaro: "I will overnight my Hedge fund memorandum and Partnership Agreement. I strongly advise he consults with an attorney. The attorney I been using for the past 5 years is in Boca Raton."

22. Later, on June 10, 2002, Donnauro stated in an e-mail to Otalvaro: "We are greatly considering on forming our own broker dealer. My hedge fund clients are almost demanding it before they would open their own retail accounts. Also, this would seem necessary because we plan to have different brokers coming in . . . ."

23. In a letter-agreement, dated June 21, 2002, between WSE and the Peradon Retail Office regarding, among other things, the cost of creating and maintaining the Peradon Retail Office's website, WSE and the Peradon Retail Office agreed that an additional customization fee would be charged if Donnauro wanted a "hedge fund performance update" for the website.

24. In June 2003, Otalvaro sent an e-mail to Donnauro asking for "a description of your other business activity" as required by the NASD. In an e-mail to Otalvaro, Donnauro disclosed his relationship with the Peradon Capital Fund by responding as follows:

> "Peradon Capital Fund Management, LLC
> 175 West Camino Real
> Boca Raton, FL 33432
>
> Frank Donnauro - President since August 2000
>
> Peradon Capital Fund Management, LLC is the General Partner of: Peradon Capital Fund, LTD and Peradon Capital Fund of Funds, Ltd.
>
> The nature of the business is to invest and reinvest in securities for the Partnerships. During trading hours I spend about 2 hours per day on average and non trading hours I spend 4-6 hours per day on average.
>
> Let me know if there is anything else."

25. In response to Donnauro's disclosure, in June 2003, Otalvaro amended Donnauro's Form U4 to disclose the following business activity: "Peradon Capital Fund Management, LLC . . . Frank Donnauro President Since August 2000 Peradon Capital Fund Management, LLC is the general partner of Peradon Capital Fund, Ltd. And [sic] Peradon Capital Fund of Fund, Ltd. The nature of the business is to invest and reinvest in securities for partnerships. During trading hours I spend about 2 hours per day on average and non trading hours I spend 4-6 hours per day on average."

26. Based on the above communications between Donnauro and Otalvaro, as well as the amendments to Donnauro's Form U4, for almost two years, Otalvaro should have been aware of Donnauro's participation in the business activities of the Peradon Capital Fund. Yet, Otalvaro did not require Donnauro to apply for written approval to operate the Peradon Capital Fund as mandated by WSE's supervisory procedures.

27. WSE and Otalvaro failed to sufficiently inquire about and deter Donnauro's operation of the Peradon Hedge Funds and the WSE/Peradon Agents sale of the Peradon Securities. WSE and Otalvaro failed to reasonably supervise Donnauro and the WSE/Peradon Agents under N.J.S.A. 49:3-58(a)(2)(xi). As a result, the investors that purchased the Peradon Securities suffered losses.

28. It is in the public interest for the Bureau Chief to enter into this Administrative Consent Order.

The Bureau Chief finds that the sanctions imposed below are in the public interest for the protection of investors and consistent with the policy and purposes intended by the Securities Law.

It is ORDERED and AGREED on this 9th day of ~~November~~ December, 2009, that:

29. The Summary Order is in full force and effect as it pertains to persons other than WSE and Otalvaro.

30. Under N.J.S.A. 49:3-70.1, WSE and Otalvaro are jointly and severally assessed a civil monetary penalty in the amount of $210,000.00 ("Penalty Amount"), which shall be paid with certified bank checks or checks issued from the attorney trust account of WSE and Otalvaro's counsel, payable to the "State of New Jersey, Bureau of Securities" and delivered to the Bureau of Securities, Attn: Bureau Chief, P.O. Box 47029, Newark, New Jersey 07101. Respondents shall pay the Penalty Amount as follows:

a. $25,000.00 on or before February 28, 2010;

b. $15,000.00 on or before the last day of each month during the period of July 2010 to July 2011; and

c. $5,000.00 on or before the last day of August 2011.

31. Otalvaro shall not reapply with the Bureau for registration as an agent or investment adviser representative. Otalvaro waives all exemptions contained in N.J.S.A. 49:3-50 subsection (a) paragraph 9, 10 and 11 and subsection (b).

32. Otalvaro waives all exemptions to 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).

33. Otalvaro shall not directly or indirectly supervise any persons registered or who should be registered with the Bureau as agents or investment adviser representatives. A person other than Otalvaro who is Series 24 qualified and is registered with the Bureau as an agent shall supervise persons who are registered with the Bureau as agents or investment adviser representatives of WSE.

34. If WSE and/or Otalvaro violate any of the terms of this Administrative Consent Order, the Bureau Chief, at his discretion, may issue a Summary Order:

a. revoking the broker-dealer registration of WSE under N.J.S.A. 49:3-58(a)(2)(ii) and/or (vii);

b. increasing the Penalty Amount herein by an additional $40,000.00 (thus, a total potential judgment of $250,000.00), which WSE and Otalvaro by their attestations below waive their right to contest; or

c. taking such other action permitted under the Securities Law.

GENERAL PROVISIONS

35. Pursuant to N.J.A.C. 1:1-19.1, this Administrative Consent Order shall be deemed to be the final decision as to WSE and Otalvaro.

36. Respondents waive their right to a hearing and right for judicial review of, to contest, or to challenge this Administrative Consent Order.

37. New Jersey law governs this Administrative Consent Order.

38. As used in this Consent Order, the plural shall include the singular and the singular shall include the plural. In addition, "or" and "and" shall be interpreted conjunctively.

39. The parties represent that an authorized representative of each has signed this Consent Order with full knowledge, understanding and acceptance of its terms and that this person has done so with authority to legally bind the respective party.

40. The parties agree that any rules of construction or interpretation that construe ambiguities against the drafter are inapplicable to this Administrative Consent Order.

41. Respondents shall not represent or imply to anyone that by virtue of this Administrative Consent Order any business practice has been approved of by the Attorney General, New Jersey, or the Bureau.

42. This Consent Order may be signed in counterparts, which shall each be deemed originals and together constitute the same Consent Order.

By: _____
Marc B. Minor
Chief, New Jersey Bureau
of Securities

Consent to the Form and Entry of this
Administrative Consent Order:

Locke Lord Bissell & Liddell LLP
Attorneys for Respondents WallStreet Electronica, Inc. (CRD#43896)
& Carlos Francisco Otalvaro (CRD#2294420)

By: _____ Dated: November 30, 2009
Alan M. Wolper, Esq.

Respondents WallStreet Electronica, Inc. (CRD#43896)
& Carlos Francisco Otalvaro (CRD#2294420)

By: _____ Dated: November 25, 2009
Carlos Francisco Otalvaro