

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

By: Victoria A. Manning
Deputy Attorney General
(9730 648-2893)

STATE OF NEW JERSEY
BUREAU OF SECURITIES
153 Halsey Street
P.O. Box 47029
Newark, New Jersey 07102

In the Matter of:

**ADMINISTRATIVE
CONSENT ORDER**

VINCENT R. GUASTELLA and
FREEDOM GROUP SERVICES INC.,
Respondents.

Pursuant to the authority granted to the Chief of the New Jersey Bureau of Securities ("Bureau") by the Uniform Securities Law, as amended, L. 1997, c. 276, N.J.S.A. 49:3-47 et seq., ("Securities Law"), more specifically, N.J.S.A. 49:3-60, and N.J.S.A. 49:3-56, and after investigation, review, and due consideration of the facts involving Vincent R. Guastella ("Guastella") and Freedom Group Services Inc., the Bureau desires to resolve this matter through the instant Administrative Consent Order. Guastella and Freedom Group Services Inc., through counsel, Joseph A. Maurice, Esq. of Cohn Lifland Pearlman Herrmann & Knopf LLP, also desire to resolve this matter and

consent to the form and entry of this Consent Order.

The Bureau Chief makes the following findings of fact and conclusions of law, which Guastella neither admits nor denies:

1. At all relevant times from 2006 to 2009, Guastella was a resident of New Jersey.
2. At all relevant times, Freedom Group Services Inc. was a Nevada corporation, formed on June 30, 2003 by Guastella, with places of business in Las Vegas, Nevada and Carlstadt, New Jersey.
3. Freedom Group Services Inc. was also known as Freedom Group Enterprises Inc. and Freedom Associates Group Inc. (collectively "Freedom Group").
4. At all relevant times, Guastella controlled Freedom Group.
5. From approximately 2006 to 2009, Freedom Group through Guastella, raised over \$500,000 from the sale of unregistered securities in the form of investment contracts for currency trading from New Jersey to more than ten (10) investors.
6. The securities offered or sold by Freedom Group and Guastella were: (a) not registered with the Bureau; (b) not federally covered; and (c) not exempt from registration.
7. Guastella was not registered with the Bureau in any capacity, nor was he exempt from registration.

Acting as an Agent Without Registration
N.J.S.A. 49:3-56(a)
(As to Guastella)

8. Guastella represented Freedom Group in effecting or attempting to effect transactions in unregistered securities to, from, or within New Jersey and, thus, acted as an agent, as defined in N.J.S.A. 49:3-49(b) without being registered with the Bureau.
9. Guastella violated N.J.S.A. 49:3-56(a), which requires, among other things, that only persons registered with the Bureau may lawfully act as agents in the sale of securities.
10. Each violation of N.J.S.A. 49:3-56(a) is cause for imposition of a civil monetary penalty pursuant to N.J.S.A. 49:3-70.1.

Employing an Unregistered Agent
N.J.S.A. 49:3-56(h)
(As to Freedom Group)

11. Freedom Group employed or engaged agents in effecting or attempting to effect transactions in securities to, from or within New Jersey. Freedom Group's employee, Guastella, acted as an agent, as defined in N.J.S.A. 49:3-49(b) without being registered with the Bureau.
12. Freedom Group violated N.J.S.A. 49:3-56(h) by employing

agents who were not registered with the Bureau.

13. Each violation of N.J.S.A. 49:3-56(h) is a separate violation of the Securities Law and is cause for imposition of a civil monetary penalty for each separate violation pursuant to N.J.S.A. 49:3-70.1.

Offering and Selling Unregistered Securities
N.J.S.A. 49:3-60
(As to Freedom Group and Guastella)

14. Freedom Group and Guastella offered and/or sold securities that were not registered with the Bureau.
15. The securities offered and/or sold by Freedom Group and Guastella were not federally covered securities.
16. The securities offered and/or sold by Freedom Group and Guastella were required to be registered with the Bureau pursuant to N.J.S.A. 49:3-60 and were not exempt from registration.
17. Each offer and/or sale of unregistered securities constitutes a separate violation of N.J.S.A. 49:3-60 and is cause for the imposition of a civil monetary penalty for each separate violation pursuant to N.J.S.A. 49:3-70.1.

THEREFORE, based on the foregoing findings of fact and conclusions of law, which Guastella and Freedom Group neither have admitted nor denied and, in recognition of the desire of all the parties' desire to resolve the above captioned matter, it is

on this 31st day of January, ~~2010~~ ²⁰¹¹ ORDERED and AGREED
that:

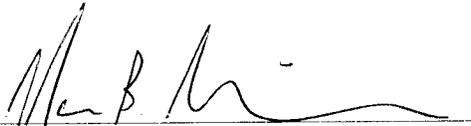
18. Guastella is assessed a civil monetary penalty in the amount of \$7,500 pursuant to N.J.S.A. 49:3-70.1 for violations of: N.J.S.A. 49:3-56(a), and N.J.S.A. 49:3-60. This penalty shall be paid to the Bureau within thirty (30) days after signing of this Administrative Consent Order by the Bureau Chief. Payment shall be made by attorney trust fund check, certified check or other guaranteed funds, payable to the "Bureau of Securities, State of New Jersey" and delivered to the attention of the Bureau Chief, at the following address:
Bureau of Securities, 153 Halsey Street, 6th Floor, Newark, New Jersey 07102;
19. Freedom Group and Guastella shall cease and desist from future violations of the Securities Law including but not limited to: acting as an unregistered agent in violation of N.J.S.A. 49:3-56(a); employing unregistered agents in violation of N.J.S.A. 49:3-56(h); and offering and selling unregistered securities in violation of N.J.S.A. 49:3-60;
20. All exemptions provided in N.J.S.A. 49:3-50, subsection (a) paragraphs 9, 10 and 11, and subsection (b), are revoked as to Freedom Group and Guastella;
21. All registration exemptions 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), are revoked as to Freedom Group and Guastella;

22. Freedom Group and Guastella agree not to seek registration 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.

General Provisions

23. This Consent Order shall not bind any person not a party thereto.
24. Freedom Group and Guastella waive all defenses and agree that for purposes of this matter or future proceedings to enforce this Consent Order that this Consent Order shall have the same effect as if the findings of fact and conclusions of law had been proven and the resulting penalties ordered after a full hearing pursuant to N.J.S.A. 52:14B-1 et seq.



Marc B. Minor
Chief, New Jersey Bureau of
Securities
Date: 1/31/11

as to this action MBM

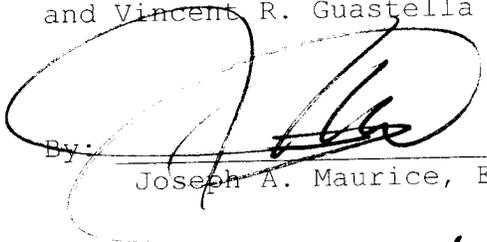
PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Counsel for the New Jersey
Bureau of Securities

By: 
Victoria A. Manning
Deputy Attorney General

Dated: 1/31/11

WE HEREBY CONSENT TO THE FORM AND
ENTRY OF THE ABOVE ORDER:

COHN LIFLAND PEARLMAN HERRMANN & KNOFF LLP
Counsel for Freedom Group Services Inc.
and Vincent R. Guastella

By: 

Joseph A. Maurice, Esq.

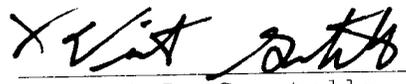
Dated: 1-20-2011

X 

Vincent R. Guastella, Respondent

Dated:

FREEDOM GROUP SERVICES INC.
a/k/a Freedom Group
Enterprises, Inc.
and Freedom Associates
Group Inc., Respondent

By: X 
_____ Dated:

Vincent R. Guastella, President