

II. Jurisdiction

The Department has jurisdiction for this administrative hearing pursuant to R.I. Gen. Laws § 42-14-1 *et seq.*, R.I. Gen. Laws § 42-35-1 *et seq.*, R.I. Gen. Laws § 7-11-101 *et seq.*, and the Rules of Procedure.

III. Issue

Whether the motion for default judgment and order to revoke license should be granted.

IV. Relevant Statutes

R.I. Gen. Laws § 7-11-212(b)(7)(ii) provides that the Director may by order, deny, suspend or revoke a license for the “[a] suspension or expulsion from membership in or association with a member of a self regulatory organization registered under the Securities Exchange Act of 1934 or the Commodity Exchange Act.” R.I. Gen. Laws § 7-11-212(d) provides that “[i]f the director finds that an applicant or licensed person is no longer in existence, has ceased to do business as a broker dealer... or cannot be located after reasonable search, the director may by order deny the application or revoke the license.”²

V. Discussion

Based on the foregoing, the undersigned makes the following findings of fact:

1. Pursuant to Section 2.21 of the Rules of Procedure, the Respondent is declared to be in default for failing to appear at the status conference and failing to defend against the Department’s action.
2. Pursuant to Section 2.21 of the Rules of Procedure, the allegations in the Notice against the Respondent are found to be true.
3. Pursuant to Section 2.2.1 of the Rules of Procedure, the factual assertions contained within the motion for default and order to revoke license are found to be true.

² R.I. Gen. Laws § 7-11-101(15) defines person to include a corporation and commercial entity.

4. On March 12, 2015, the Financial Industry Regulatory Association's ("FINRA") Department of Enforcement entered an Order accepting the Respondent and one of its principals Offer of Settlement. In that Order, the Respondent was censured, fined and ordered to pay full restitution in case #2012030968601.

5. On June 8, 2015, FINRA issued a final order expelling Respondent for "Respondent Brookville Capital Partners failed to pay fines and/or costs of \$500,000 in FINRA case #2012030968601."

6. On July 14, 2015, one of Respondent's attorneys notified the Department and its Hearing Officer in an email that Brookville Capital Partners LLC was no longer registered with FINRA and that he was no longer representing it in this matter.

7. On July 23, 2015, the Department's hearing officer issued a Notice of Status Conference in this matter, setting a Status Conference for August 17, 2015.

8. Since the issuance of the Notice of Status Conference, remaining counsel for Respondent Brookville have informally told the Department that they no longer represent Respondent Brookville in this matter.

9. Section 2.6(B) of the Rules of Procedure provides that "the Hearing Officer may, with reasonable written notice, require that all Parties attend a prehearing conference."

10. The Respondent is no longer in operation.

11. The Respondent failed to attend the status conference in August, 2015.

Based on the forgoing, the undersigned makes the following conclusions of law:

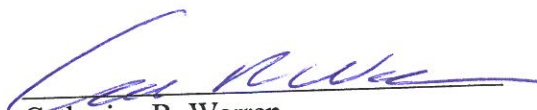
The Respondent violated R.I. Gen. Laws § 7-11-212(b), R.I. Gen. Laws § 7-11-212(b)(2), R.I. Gen. Laws § 7-11-212(b)(8) (unethical and dishonest business practices in securities business), R.I. Gen. Laws § 7-11-212(b), R.I. Gen. Laws § 7-11-212(b)(11) (failure to supervise), R.I. Gen. Laws §

7-11-501 (defraud, untrue statement, practice fraud or deceit upon a person), and *Securities Division Regulation* Rule 212(a)-1 (unethical and dishonest). R.I. Gen. Laws § 7-11-212(a) and b(7)(ii) are applicable because the Respondent has been expelled from FINRA. R.I. Gen. Laws § 7-11-212(d) is applicable because the Respondent is no longer in operation.

On the basis of the forgoing, the undersigned makes the following recommendation:

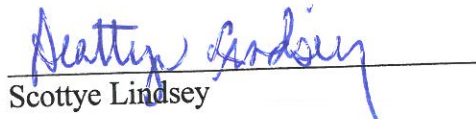
The Respondent's License shall be revoked.

Entered this 1st day of March, 2017.


Catherine R. Warren
Hearing Officer

I have read the Hearing Officer's recommendation in this matter and I hereby ADOPT/REJECT the findings of facts, the conclusions of law, and recommendation of the hearing officer in the above entitled Final Order.

Dated: 3/2/17


Scottye Lindsey
Director

NOTICE OF APPELLATE RIGHTS

THIS ORDER CONSTITUTES A FINAL ORDER OF THE DEPARTMENT OF BUSINESS REGULATION PURSUANT TO R.I. GEN. LAWS § 42-35-12. PURSUANT TO R.I. GEN. LAWS § 42-35-15, THIS ORDER MAY BE APPEALED TO THE SUPERIOR COURT SITTING IN AND FOR THE COUNTY OF PROVIDENCE WITHIN THIRTY (30) DAYS OF THE MAILING DATE OF THIS DECISION. SUCH APPEAL, IF TAKEN, MUST BE COMPLETED BY FILING A PETITION FOR REVIEW IN SUPERIOR COURT. THE FILING OF THE COMPLAINT DOES NOT ITSELF STAY ENFORCEMENT OF THIS ORDER. THE AGENCY MAY GRANT, OR THE REVIEWING COURT MAY ORDER, A STAY UPON THE APPROPRIATE TERMS.

CERTIFICATION

I hereby certify that on this 1 day of March, 2017, that a copy of the within Order was sent by electronic delivery to Peter Petrarca, Esquire (peter330350@gmail.com), William Lovett, Esquire (wlovett@collorallp.com), Brett D. Zinner, Esquire (brett@rosenbergfortunata.com), and Matthew Gendron, Esquire and Maria D'Alessandro, Deputy Director, Department of Business Regulation, Pastore Complex, 1511 Pontiac Avenue, Cranston, RI and by first class and certified mail, return receipt requested to Brookville Capital Partners, LLC, 25 Melville Park Road, Melville, NY 11747.