

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

**IN THE MATTER OF: ROBERT M. RACUSEN**

**FILE NO. 0400778**

**CONSENT ORDER OF REVOCATION**

TO THE RESPONDENT:    Robert M. Racusen  
                                  (CRD #: 1601853)  
                                  6 Newton Court West  
                                  Buffalo Grove, Illinois 60089

WHEREAS, Respondent on the 9th day May of 2005 executed a certain Stipulation to Enter Consent Order of Revocation (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department, dated January 21, 2005 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Revocation ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the truth thereof, that the following allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1.     That at all relevant times, the Respondent was registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act until August 11, 2004.
2.     That on October 1, 2004 NASD entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding File No. C8A040089 which imposed the following sanctions:
  - a.     one-year suspension from association with any member of NASD in any capacity; and

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b. fined \$7,500.00.

3. That the AWC found:

- a. On or about January 18, 2002, the Respondent purchased or caused the purchase of 100 shares of Heartland Express, Inc., a new issue, for the account of JS, a member of the public, without the knowledge or consent of JS and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
- b. On or about January 18, 2002, the Respondent sold or caused the sale of 100 shares of Heartland Express, Inc. for the account of JS, without the knowledge or consent of JS and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
- c. On May 3, 2002, the Respondent purchased of 2,000 shares of Knowledge Foundation, a bulletin board stock, in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
- d. On May 7, 2002, the Respondent purchased or caused the purchase of 500 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
- e. On May 17, 2002, the Respondent purchased or caused the purchase of 1,000 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
- f. On May 21, 2002, the Respondent purchased or caused the purchase of 500 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.

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- g. On May 29, 2002, the Respondent purchased or caused the purchase of 1,000 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
  - h. On May 30, 2002, the Respondent purchased or caused the purchase of 2,000 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
  - i. On May 31, 2002, the Respondent purchased or caused the purchase of 1,000 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
- 4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be revoked if the Secretary of State finds that such salesperson has been suspended by any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory organization.
  - 5. That NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
  - 6. That Section 8.E(3) of the Act provides inter alia, withdrawal of an application for registration or withdrawal from registration as a salesperson, becomes effective 30 days after receipt of an application to withdraw or within such a shorter period of time as the Secretary of State may determine. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the Secretary of State may nevertheless institute a revocation or suspension proceeding within 2 years after withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.

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WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

That by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to revocation, effective August 11, 2004, pursuant to Section 8.E(1)(j) of the Act.


WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that his registration as a salesperson in the State of Illinois shall be revoked.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

1. Robert M. Racusen's registration as a salesperson in the State of Illinois shall be revoked effective August 11, 2004.
2. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 19<sup>th</sup> day of May 2005.

  
JESSE WHITE  
Secretary of State  
State of Illinois