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MEMBER

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IN THE MATTER OF
THE AGENT REGISTRATION OF
ROBERT HAROLD HANLEY JR.

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§
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Order No. IC06-CAF-22

TO: Robert Harold Hanley Jr. (CRD No. 2743587)
Pali Capital, Inc.
650 Fifth Avenue, 6thFloor
New York, NY 10019

DISCIPLINARY ORDER

Be it remembered that Robert Harold Hanley Jr. ("Respondent"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this order ("Order") and the Findings of Fact and the Conclusions of Law contained herein.

FINDINGS OF FACT

- Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to Respondent by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2005) ("Texas Securities Act") and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon 2000 & Supp. 2005) ("Administrative Procedure Act").
- On or about February 22, 2006, a Uniform Application for Securities Industry Registration or Transfer ("Form U-4") application was filed with the Securities Commissioner for registration of Respondent as an agent of Pali Capital, Inc., and the Securities Commissioner approved the registration, which is currently effective.
- Pursuant to Sections 101.2(c) and 133.33(a)(3) of the Rules and Regulations of the State Securities Board ("Board Rules"), certain forms required to be filed with the Securities Commissioner, including the Form U-4, have been adopted as Board Rules and have the same force and effect.
- Pursuant to Section 115.2(e)(2) of the Board Rules, uniform forms submitted through the Central Registration Depository System maintained by the National Association of Securities Dealers, Inc., including the Form U-4, that designate the State of Texas as a jurisdiction in which the filing is to be made, are deemed to

be filed with the Securities Commissioner and constitute official records of the Texas State Securities Board.

5. The information required to be reported on the Form U-4 is deemed necessary by the Securities Commissioner to determine a person's business repute or qualifications.
6. Respondent did not disclose his February 24, 1998 felony charge, the April 20, 1998 misdemeanor conviction, or the \$2,000 fine for promoting gambling ("1998 Gambling Charge and Conviction"), on his February 22, 2006 Form U-4 as required by the Form U-4.
7. The 1998 Gambling Charge and Conviction was reported on Respondent's March 9, 2006 Form U-4, after Respondent's registration as an agent of Pali Capital, Inc. was approved by the Securities Commissioner.
8. Respondent represented and certified on the February 22, 2006 Form U-4 that: his answers were true and complete to the best of his knowledge; he understood he was subject to an administrative penalty if he gave false or misleading answers; to the extent any information previously submitted was not amended, the information provided in this Form U-4 is accurate and complete; and he had reviewed and approved the information submitted on the Form U-4.
9. Pursuant to Section 14.A(6) of the Texas Securities Act, the Securities Commissioner may reprimand a registered agent, if the person has violated any provision of the Board Rules.
10. Pursuant to Section 23-1 of the Texas Securities Act, the Securities Commissioner may issue an order assessing an administrative fine against a person found to have engaged in an act or practice that violates the Board Rules.

UNDERTAKING

Respondent undertakes and agrees that any change in information concerning Respondent which was previously disclosed to the Securities Commissioner on any application form or filing shall be timely updated, amended and reported as required by §115.9(a)(6) of the Board Rules.

CONCLUSIONS OF LAW

1. Respondent's failure to disclose his 1998 Gambling Charge and Conviction on his February 22, 2006 Form U-4 is a violation of the Board Rules.

2. Pursuant to Section 14.A(6) of the Texas Securities Act, the foregoing violation constitutes basis for the issuance of an order reprimanding a registered agent.
3. Pursuant to Section 23-1 of the Texas Securities Act, the foregoing violation of the Board Rules constitutes basis for the issuance of an order assessing an administrative fine against an agent.

ORDER

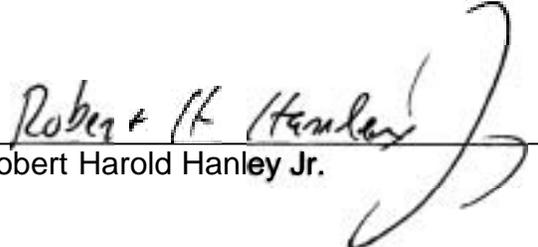
1. It is therefore ORDERED that Robert Harold Hanley Jr. is hereby REPRIMANDED.
2. It is further ORDERED that Robert Harold Hanley Jr. is hereby ASSESSED AN ADMINISTRATIVE FINE in the amount of Three Thousand Dollars (\$3,000.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Three Thousand Dollars (\$3,000.00), payable to the State of Texas, contemporaneously with the delivery of this Order.
3. It is further ORDERED that Robert Harold Hanley Jr. COMPLY with the terms of the Undertaking, contained herein.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 3rd
day of July, 2006.

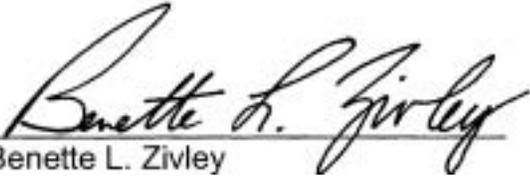
Denise Voigt Crawford

DENISE VOIGT CRAWFORD
Securities Commissioner

Respondent:


Robert Harold Hanley Jr.

Approved as to Form:


Benette L. Zivley
Director
Inspections and Compliance Division

ACKNOWLEDGMENT

On the 27 day of June, 2006, Robert Harold Hanley Jr. ("Respondent") personally appeared before me, executed the foregoing Order and Undertaking, and acknowledged that:

- 1. Respondent has read the foregoing Order and Undertaking;
- 2. Respondent has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
- 3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and Undertaking, and the Findings of Fact and Conclusions of Law contained therein; and
- 4. Respondent, by consenting to the entry of the foregoing Order and Undertaking, has knowingly and voluntarily waived his rights as set forth therein.



Notary Public in and for
The State of _____

[affix notary seal here]

My commission expires on: _____

Melissa Waiser
Notary Public, State of New York
No. 02WA8127802
Qualified in New York County
Commission Expires 05/31/2007