The Director of the Department of Commerce, Community, and Economic Development, Division of Banking and Securities ("Administrator"), has conducted an investigation into business activities of Neal Palazzo ("Respondent"), and has determined that Respondent violated provisions of the Alaska Securities Act, Alaska Statute ("AS") 45.55.

Respondent agrees that the Administrator has jurisdiction over Respondent and these matters pursuant to the Alaska Securities Act.

Respondent wishes to resolve and settle this matter with the Administrator. As evidenced by the authorized signature on this Order, Respondent consents to the entry of this Order assessing a civil penalty based on the Conclusions of Law and Order. Respondent waives his right to appeal under AS 45.55.920(d).

I. FINDINGS OF FACT

1. Respondent is a resident of Huntington, New York.

2. Respondent is employed as a broker-dealer agent (CRD # 4164798) for broker-dealer firm Ameriprise Financial Services ("Ameriprise") (CRD # 6363). Respondent has been employed at Ameriprise since August 7, 2015. Previously, Respondent worked as a

3. Respondent was first registered as broker-dealer agent in Alaska on January 23, 2008 for DLA, and is currently registered for Ameriprise.

4. Alaska resident S.M. was a client of Respondent at DLA from January 23, 2008 to August 7, 2015.


6. Respondent sold shares of Spirit of America Income Fund and bought shares of Gabelli Utilities Fund for S.M. without obtaining written discretionary authority from S.M.

7. S.M. closed her account with DLA on December 1, 2015 and sold all her shares in Gabelli Utilities Fund.

8. As a result of the purchase of Gabelli Utilities Fund, S.M. lost $7,813.61.


II. CONCLUSIONS OF LAW

1. The mutual funds that Respondent bought and sold on behalf of S.M. were “securities” as that term is defined in AS 45.55.990(32).

2. Respondent violated AS 45.55.025(28) by exercising discretion in buying and selling securities for S.M. without obtaining written discretionary authority.

3. Respondent is subject to a civil penalty pursuant to AS 45.55.920(b) because he knowingly and intentionally violated AS 45.55.025(28).
III. ORDER

Pursuant to AS 45.55.920, and on the basis of the Findings of Fact and Conclusions of Law, Respondent agrees to:

1. CEASE AND DESIST from further conduct violating the Alaska Securities Act.
2. Pay a civil penalty in the amount of eight thousand dollars ($8,000.00).
3. Withdraw his registration as a broker-dealer agent in Alaska.

This Order is not intended to indicate that Respondent should be subject to a statutory disqualification under Section 3(a)(39) of the Securities Exchange Act of 1934 or any other disqualification contained in the federal securities laws or regulations, or the rules and regulations of self-regulatory organizations or various states’ securities laws.

IT IS SO ORDERED.

Chris Hladick, Commissioner
Department of Commerce, Community and Economic Development

DATED: July 22, 2016

/s/ Kevin Anselm
BY: Kevin Anselm, Director
Division of Banking and Securities

Consent to Entry of Order

I, Neal Palazzo, state that I have read the foregoing Order and that I know and fully understand the Order contents; that I have been advised of the right to a hearing and expressly waive any right to a hearing in this matter; that I voluntarily and without any force or duress, consent to the entry of this order, without admitting or denying the factual allegations stated
herein; that I understand that the Administrator reserves the right to take further actions to
enforce this Order or to take appropriate action upon discovery of other violations of the Alaska
Securities Act; and that I will fully comply with the terms and conditions stated herein.

I understand that this Order is a publicly disclosable document.

DATED: ___7-20-2016___

/s/ Neal Palazzo ______________________
Neal Palazzo

SUBSCRIBED AND SWORN TO before me this ___20th__day of ___July____, ___2016__ at
__Mitchel Field_______, __NY 11553_____.

/s/ Carol Palumbo _______________
Notary Public in and for __Nassau County__
New York State

___Carol Palumbo_________________
Notary Printed Name
My commission expires: _3/21/19________

Contact Person:
David Newman
Securities Examiner
(907) 269-7678

Neal Palazzo
Order to Cease and Desist
Order No. 15-6712-S