

**STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF: )

MEDICAL CONNECTIONS HOLDINGS INC )  
ANTHONY NICOLOSI )

**ADMINISTRATIVE ORDER  
NO. CD-2010-00<sup>62</sup>**

\_\_\_\_\_  
**RESPONDENTS**)

**CEASE AND DESIST ORDER**

The Alabama Securities Commission ("Commission"), having authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

**RESPONDENTS**

1. **MEDICAL CONNECTIONS HOLDINGS, INC. ("MCH")** is a Florida Corporation having a commercial address of 2300 Glades Road, Suite 202E, Boca Raton, Florida 33431.

2. **ANTHONY JOSEPH NICOLOSI, JR, ("NICOLOSI")**, aka; Anthony Joseph Peluso, at all times relevant, acted as President/Director of MCH, with a business address of 2300 Glades Road, Suite 202E, Boca Raton, Florida 33431. NICOLOSI was registered with NASD/FINRA, CRD # 2314102, until December 2000, at which time his registration was termed.

## STATEMENT OF FACTS

3. Information made available to the Commission disclosed that **NICOLOSI** with **MCH** did file a Reg D Rule 506 Notice of Exempt Offering of Securities, with the United States Securities and Exchange Commission on December 9, 2009.

4. On or about February 17, 2010, a representative of **MCH** engaged in the offer and sale of an investment in a Private Offering of the company's securities to an Alabama investor with whom **MCH** had a previous business relationship.

5. A review of the Commission files revealed that on or about March 1, 2010, **MCH** filed with the Commission, an Alabama U-2 notice filing, a copy of the Rule 506 Reg D as filed with the United States Securities and Exchange Commission and Commission filing fee.

6. A search of the Central Registration Depository revealed that **NICOLOSI** had a previous registration history with the alias name of Anthony Joseph Peluso, CRD #2314102 as well as two disclosure occurrences.

7. CRD Disclosure (#1017749), which occurred on July 5, 2001, alleged violations of NASD Rule 2110 in which Peluso while working for Emerson Bennett & Associates; *"used high pressure sales tactics and knowingly made to customers numerous baseless predictions of substantial price increases and material misrepresentations of facts, in connection with his solicitation of orders to purchase low-priced speculative and other Securities"*. As a result, the violations were determined to be a statutory disqualification case pursuant to an NASD decision barring Peluso in all capacities, effective June 15, 2001.

8. CRD Disclosure (#1270676), which occurred on September 27, 2005, alleged Peluso violated the registration and anti-fraud provisions of the Pennsylvania Securities Act of 1972. The summary order to Cease and Desist issued on May 24, 2005 is prospectively rescinded as to Anthony Peluso. Peluso and other named respondents were ordered to permanently cease and desist and were jointly and severally ordered to pay an

assessment and investigative and legal costs. Additionally, Peluso was barred for a period of three months from representing an issuer offering or selling securities in Pennsylvania.

9. Documents obtained by the Commission disclosed that Anthony Joseph Peluso filed to legally change his name to Anthony Joseph Nicolosi in the Broward County 17<sup>th</sup> Judicial Circuit Court of Florida on June 4, 2003.

10. On March 23, 2010, **MCH** provided the Commission with copies of the companies offering documents, subscription booklet, and financial statements. The offering documents identified **NICOLOSI** as the President/Director of **MCH** since 2005. Additionally, the offering documents omitted the disclosure of the NASD Bar in all capacities mentioned in paragraph 7 and the legal name change in paragraph 9.

11. An interview with the Alabama investor clearly demonstrated that at the point of sale of the investment, the investor was not provided with the information of the CRD disclosure in paragraph 7 and the name change in paragraph 9.

### **CONCLUSIONS OF LAW**

12. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as a dealer or agent for securities unless he is registered under this article. The definition of agent under Section 8-6-2(2), Code of Alabama 1975, includes any individual who represents a dealer or an issuer in effecting or attempting to effect sales of securities. **NICOLOSI** acted as an agent of **MCH** and transacted business in Alabama without benefit of registration in violation of Section 8-6-3(a) of the Act.

13. Pursuant to Section 8-6-17(a)(2), Code of Alabama 1975, it is unlawful for a person to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading in connection with the offer, sale or purchase of a security. The fact that **NICOLOSI** failed to disclose the 2001 Order to BAR in all capacities and the subsequent name change represents an omission of a material fact.

This Order does not prevent the Alabama Securities Commission from seeking such other administrative, civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the **RESPONDENTS** to make a timely request for hearing, or default of the respondents, it is the intention of the Commission to impose sanctions upon the **RESPONDENTS**. Such sanctions may include, inter alia, an administrative assessment imposed on **RESPONDENTS**, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against **RESPONDENTS**, and a permanent order to bar **RESPONDENTS** from participation in any securities related industry in the state of Alabama.

**ACCORDINGLY, IT IS HEREBY ORDERED** that the **RESPONDENTS** immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 25TH day of DECEMBER, 2010.



ALABAMA SECURITIES COMMISSION  
401 Adams Avenue, Suite 280  
Montgomery, AL 36104  
(334) 242-2984

BY:

A handwritten signature in black ink, appearing to read "Joseph P. Borg", is written over a horizontal line. The signature is stylized and somewhat cursive.

Joseph P. Borg  
Director