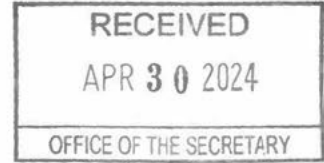


To: VANESSA Countryman

From: LEON VACCARELLI

RE: Admin. Proc. File No. 3-21030



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STATEMENT OF APOLOGY (6 PAGES)

CC: DAVID LONDON

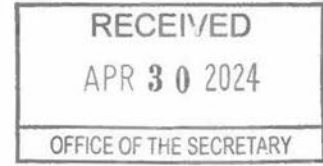
BOSTON REGIONAL OFFICE

To: VANESSA Countryman

①

From: LEON VALCARELLI

RE: Admin. Proc. File No. 3-21030



## RESPONSE TO DIVISION ENFORCEMENTS REQUEST FOR SUMMARY DISPOSITION AND IMPOSITION OF SANCTIONS

Firstly, I would like to thank the divisions patience in working with me during all of the challenges I have had with responding and also understanding this proceeding while in BOP custody.

For the matter at hand I do not disagree with Division Enforcement that I WAS found guilty in my criminal trial and that I violated securities law. My actions were abhorrent and I am ashamed of myself. I however take issue with much of the language used in the complaint by division enforcement. Much of it is exaggeration and sensationalism on top of what is already awful. For example division enforcement says I had 15 victims, that is NOT true I had 9 victims. Now I am ashamed

(2)

that there were any victims but there is a difference between 9 and 15. A mere review of the 23 charges against me would reveal 9 individuals, not 15. The confusion is the 9 individuals had a total of 15 accounts.

On page 3 of the "Division of Enforcements Additional Evidentiary Support and Briefing in Support of Motion For Summary Disposition and Imposition of Sanctions" they make my case that 15 brokerage accounts were involved. They also incorrectly say "and other persons" there were no other persons, just 9 individuals with 15 accounts.

In my opinion exaggeration & sensationalism that is not even necessary. Another example is in the same document ~~the~~ Division Enforcement says I never apologized. That is just 100% false. Exhibit 6 of the Index of Supplemental Exhibits provided by Division Enforcement very clearly accounts verbatim my apology on pgs. 157-168, that is 4 pages of apology. I encourage the commission to read my apology. Again another example →

of needless exaggeration and sensationalism. In all of the documents the Enforcement Division either ignores or denies my medical conditions specifically [redacted]

However, on page 183 of the aforementioned exhibit 6 the judge in my case says that it is apparent that I have [redacted]

Also, earlier in the document Dr. Baranowski testified that I had [redacted] from my medical conditions, including [redacted] and [redacted]

believe (just as the judge did) that the Commission should take into consideration these medical issues. I will attach additional documentation from the Federal Bureau of Prisons regarding these conditions and my ongoing treatment.

I would also like to point out that on pg. 189 of exhibit 6 that judge waives a fine towards me due to the RESITATION NUMBER and my inability to repay. It appears on the request for sanctions that Division Enforcement is NOT SEEKING A FINE but I wanted to make the [redacted]



(5)

Firm that would EVER hire me AFTER  
doing a background check, sadly the whole  
Industry is a trigger for my [REDACTED]  
(I cannot even watch CNBC or look at a Wall St Journal  
without craving alcohol), and all of my security  
licenses have expired, with my [REDACTED]  
[REDACTED] there is no way in 10 million  
years I could EVER pass them again.

I request that the commission  
denies the motion by Division Enforcement  
for Summary Disposition and Imposition of Sanctions.  
I have already lost EVERYTHING, I am serving  
a 90 month jail sentence, have restitution, and  
currently nothing viable for EARNING income  
when I am released. This Summary Disposition  
and Imposition of Sanctions has already happened  
to me in FEDERAL CRIMINAL COURT & CIVIL COURT  
I say once you crush the bug under your shoe  
there is no need to keep stomping on the  
bug and then shooting it with insect spray.

Sincerely [REDACTED]

Lee Macrell

(1)

To: VANESSA Courtneyman  
From: LEON VACCARELLI  
RE: Admin Proc. File No. 3-21030

## STATEMENT of Apology

While I previously apologized on pages 154-168 on Exhibit 6 of the Index of Supplemental Exhibits provided by Division Enforcement, I would like to offer the following apology.

To the Commission I am heartily sorry for the transgressions that have led me to writing this apology. Now that I have been imprisoned for nearly 3 years I have had much time to reflect on my actions that led to my incarceration.

During my trial my defense was predicated on my [REDACTED] and [REDACTED] caused me to have [REDACTED] (not knowing right/wrong), thus I did not have criminal intent and therefore a jury could not convict me. While it is true —

(2)

that I suffered from [REDACTED] AND something called [REDACTED] (A CRIMINAL THINKING ERROR) AND THAT I CONTINUE TO SUFFER FROM [REDACTED]

I HAVE COME TO QUESTION WHETHER OR NOT I TRULY HAD NO CRIMINAL INTENT.

During the time of my CRIMINAL ACTIVITY I WAS AT THE PEAK OF MY PHYSIOLOGICAL DEPENDANCY OF ALCOHOL, AND MUCH OF THAT TIME IS A FOGGY MEMORY OR A HAZE IF YOU WILL, AT BEST. HOWEVER, I HAVE COME TO THE CONCLUSION THAT I HAD TO KNOW I WAS OPENLY BREAKING RULES AND GIVING FALSE PRETENSES/REPRESENTATIONS TO MY CLIENTS. I JUST DO NOT SEE HOW I COULD HAVE NOT KNOWN THAT. HOWEVER, THAT BEGS THE QUESTION AS TO WHETHER OR NOT I INTENDED TO DEFRAUD CLIENTS AND HURT THEM. THE ANSWER TO THAT QUESTION IS NO I DID NOT INTEND TO HURT ANYONE. SO LASTLY I HAVE TO QUESTION AS TO WHETHER OR NOT I THOUGHT I WAS GOING TO GET AWAY WITH IT. TO THAT I CAN ONLY ANSWER I DO NOT KNOW. I CAN ONLY

→

(3)

ISSUE I PLANNED ON PAYING ALL THE MONEY  
BACK WITH INCREASED FUTURE EARNINGS BECAUSE  
I KNOW I DID NOT HAVE AN ESCAPE PLAN. AT  
THE END OF THE DAY HOWEVER I HAVE TO ANSWER  
THE QUESTION OF DID I HAVE CRIMINAL INTENT  
OR NOT AS A YES. I HAD TO HAVE KNOWN I  
WAS BREAKING RULES AND IF YOU KNOW YOU  
ARE BREAKING RULES THEN FOR ME NOW WHERE  
I AM, I SAY THAT IS HAVING CRIMINAL INTENT.

Coming to that conclusion has not been  
EASY BECAUSE I JUST CANNOT REMEMBER MUCH  
OF THOSE DAYS. BUT I DO RECALL THAT MY  
MOM WAS DYING, MY DAD HAD BEEN DIAGNOSED  
WITH [REDACTED] MY WIFE (NOW EX-WIFE) WAS  
SUFFERING TERRIBLY WITH [REDACTED] THE  
LEAVES OF OUR EIGHT CHILDREN WERE ONLY  
INCREASING AS THEY GOT OLDER, AND ALL OF  
THESE ISSUES WERE CAUSING ME TO WORK  
LESS & LESS. THEN IT WAS EASY TO TRACE  
BACK TO THE START OF MY CRIMINAL →

(4)

activity which corresponded with all of these events. So in my drunkenness stupor I took the easy way out and broke rules. By breaking these rules I was able to survive, but I just dug the hole deeper and deeper. I firmly believe if I was not under the grip of alcohol I would have been able to make tough decisions like cutting back on things or laying off staff, or asking for help. My ego was simply too big, my pride too important. That is one of the many effects that alcohol had on me.

Therefore, I apologize to the commission for the time and resources it has spent on my case, for the ripple effect it has had in the industry, at my former broker dealer, my staff, my clients, my community, and my family. I will never know the full extent of

→

⑤  
the effects my crimes had on people  
and that is guilt and shame I will  
have to live with the rest of my  
life.

All I can say is the day I  
entered treatment and ever since I  
have dedicated my life to getting  
better and making Amends. I testified  
for 2 full days at my trial and I  
was never tagged with perjury or  
obstruction of justice. I am serving  
my prison sentence with out any  
discipline or rule breaking behavior,  
I continue my treatment for alcoholism  
and mental illness, and I am making  
plans to pay back the resitiation that  
I have been ordered to pay.  
while this apology may just  
like a bunch of words.

⑥  
A PAPER TO ME they come from  
the bottom of my heart. I hope  
the commission can see and acknowledge  
my sincerity and rest assured  
I will never again break rules  
that will lead to criminal  
behavior.

Sincerely,  
Yours,

LEON VACCARELLI  
03/19/24