

since its inception. Mr. Cacchione states that he was a registered representative with various registered broker-dealers, from 1989 (not 1987) through 2008. With respect to the allegation that he has “a disciplinary history with NASD,” Mr. Cacchione states that his registration records with FINRA and NASD speak for themselves. Mr. Cacchione admits that in 2004 he entered into an acceptance, waiver and consent with the NASD, whereby he consented to a thirty day suspension and \$35,000 fine; the complete settlement, including all of its terms, conditions and limitations, speaks for itself. With respect to the allegation that “[i]n 1995, a customer alleged that [he] made an authorized disbursement from her account to a third party,” Mr. Cacchione admits that such an allegation was made, however, denies the truthfulness of the underlying allegation and states that the disbursement was made pursuant to written authorization. Mr. Cacchione further states that a nineteen year-old bare and unproven allegation has no probative value or relevance to this proceeding. Mr. Cacchione admits he has outstanding federal and state tax liens, but states that he lacks the information and knowledge as to exact amount of those tax liens. Mr. Cacchione further states that such tax liens are irrelevant to this proceeding. Mr. Cacchione admits the remaining allegations in paragraph 1.

2. Mr. Cacchione admits the allegations in paragraph 2.

3. Mr. Cacchione admits the allegations in paragraph 3.

4. Mr. Cacchione denies the allegation and legal conclusion in paragraph 4. Mr. Cacchione is no longer seeking to be, a “person associated with” an investment adviser as that term is defined in Section 202(a) (17) of the Advisers Act.

5. Mr. Cacchione admits that, without admitting or denying the allegations of the Complaint, he consented to the entry of judgment on or about April 1, 2009 permanently enjoining him from future violations of 17(a) of the Securities Act and Section 10(b) of the Exchange Act

and Rule 10b-5. Mr. Cacchione has insufficient information to admit or deny that the Commission's order barring him with association with any broker-dealer under Section 15(b) of the Exchange Act was "permanent." The order does not reference the term "permanent" and, on the contrary, the Commission's order contemplates the ability to apply for re-affiliation.

6. Without admitting or denying the truthfulness of the allegations made in the 2009 SEC complaint, Mr. Cacchione admits that the 2009 SEC complaint contained the allegations listed in paragraph 6.

7. Without admitting or denying the truthfulness of the allegations made in the 2009 SEC complaint, and without admitting that such allegations have any relevance to the present proceeding, Mr. Cacchione admits that the 2009 SEC complaint contained the allegations listed in paragraph 7. Mr. Cacchione further notes that neither the 2009 SEC complaint, nor the OIP purport to describe all of the circumstances surrounding the events detailed in paragraph 7.

8. Mr. Cacchione states that the restitution he was ordered to make was joint and several with William J. "Boots" Del Biaggio, III. Mr. Cacchione admits the remaining allegations in paragraph 8.

9. Mr. Cacchione admits the allegations in paragraph 9.

AFFIRMATIVE AND OTHER DEFENSES

Mr. Cacchione gives notice that he may assert the following defenses. In so doing, Mr. Cacchione does not assume any burden of proof that would otherwise rest with the Commission. Mr. Cacchione expressly reserves his right to assert any additional defenses, including affirmative defenses, as they become known, or as they evolve during the litigation, and to amend his answer accordingly.

FIRST AFFIRMATIVE DEFENSE
(Failure to State a Claim)

The OIP fails to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE
(Barred by the Statute of Limitations)

The Commission's claims are barred in whole or in part by the applicable statute of limitations.

THIRD AFFIRMATIVE DEFENSE
(The Commission Lacks Jurisdiction Under Section 203(f))

Because, Mr. Cacchione is no longer seeking to be, a "person associated with" an investment adviser as that term is defined in Section 202(a) (17) of the Advisers Act, the Commission lacked the jurisdiction to file the OIP, pursuant to Section 203(f) of the Advisers Act.

FOURTH AFFIRMATIVE DEFENSE
(Sanctions are Not in the Public Interest)

The Commission has failed to sufficiently allege that any remedial action would be in the public interest, and no remedial action would be in the public interest.

FIFTH AFFIRMATIVE DEFENSE
(Barred by the doctrines of Res Judicata and/or collateral estoppel)

The Commission's claims are barred in whole or in part by the doctrines of res judicata and/or collateral estoppel.

SIXTH AFFIRMATIVE DEFENSE
(Additional Defenses)

The Commission's claims are barred in whole or in part by the doctrines of waiver, laches, and estoppel.

PRAYER FOR RELIEF

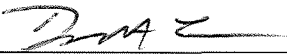
WHEREFORE, Mr. Cacchione respectfully requests:

1. That the OIP be dismissed with prejudice and all relief sought therein be denied;
 2. That Mr. Cacchione be given leave to file a motion for Summary Disposition;
- and
3. That Mr. Cacchione be awarded any other relief as may be deemed just and

proper.

Dated: October 20, 2014

Respectfully submitted,
BEUGELMANS, LLC

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