I. The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 ("Exchange Act") against Noel J. Belmonte ("Respondent").

II. In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Public Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions ("Order"), as set forth below.
III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:


2. On April 10, 2006, a final judgment was entered by consent against Belmonte, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Kimberly J. Carrella, et al., Civil Action Number 04-CV-3754, in the United States District Court for the Eastern District of New York.

3. The Commission’s complaint alleges that, from early 2000 until September 2002, RRs at Kimberly Securities, including Belmonte, engaged in a scheme to defraud Kimberly Securities’ customers by repeatedly executing unauthorized, unsuitable trades in customer accounts, and churning those accounts. Specifically, Belmonte and other RRs misrepresented, and failed to disclose, material information to investors to persuade them to open brokerage accounts at Kimberly Securities and to invest significant amounts of money. Once the customers invested funds, Belmonte and other RRs disregarded their customers' investment objectives. Belmonte and other RRs repeatedly executed securities transactions that were unauthorized by, and unsuitable for, their customers, and churned their customers' accounts. This frequent trading typically depleted the customers' capital investments through trading losses and commission charges. After there were no remaining funds in the customers' accounts, or the customers closed their accounts, Belmonte and other RRs lured new, unsuspecting customers into opening accounts at Kimberly Securities, and repeated the same conduct. Through this scheme, Belmonte and other RRs generated substantial commissions, while the customers lost their entire investment.
IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent’s Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Noel J. Belmonte be, and hereby is, barred from association with any broker or dealer.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Nancy M. Morris
Secretary