



participated in the offering of Orex Gold Mines Corporation (“Orex”) stock, which is a penny stock. Vitale currently resides in Parkland, Florida.

2. On August 15, 2006, a final judgment was entered by consent against Vitale, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”), and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and from aiding and abetting violations of Section 15(g) of the Exchange Act and Rules 15g-2, 15g-4, and 15g-5 thereunder, in the civil action entitled Securities and Exchange Commission v. John W. Surgent, et al., Civil Action Number 04-60493-Civ-COHN/SNOW, in the United States District Court for the Southern District of Florida.

3. The Commission’s complaint alleged, among other things, that, from March 1999 through July 1999, Vitale participated in the fraudulent offer and sale of over \$3 million in unregistered Orex securities to over one hundred individuals. In connection with this fraudulent offering, the complaint alleges that Vitale engaged in various sales practice abuses, allowed unregistered brokers to use his name while soliciting investments in Orex, made false and misleading statements about Orex, failed to make the required penny stock disclosures to customers concerning Orex, including but not limited to the failure to disclose the actual amount of compensation received by Vitale and other of Preferred’s personnel from the transactions in Orex stock, and otherwise engaged in a variety of conduct which operated as a fraud and deceit on investors.

#### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Vitale 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