

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF BUSINESS REGULATION  
DIVISION OF SECURITIES  
233 RICHMOND STREET, SUITE 232  
PROVIDENCE, RI 02903-4232

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IN THE MATTER OF

PICCERELLI, GILSTEIN WEALTH

SERVICES, LLC

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CONSENT  
AGREEMENT

I.

The Securities Division ("Division") of the Rhode Island Department of Business Regulation ("Department") enters into this Consent Agreement ("Agreement") to resolve concerns that Sections 203, 208, 209 and 212 of the Rhode Island Uniform Securities Act of 1990 ("RIUSA"), Section 7-11-101 et seq. of the Rhode Island General Laws, 1989, as amended, and Rules 208, 209 and 212 promulgated thereunder, may have been violated by Piccerelli, Gilstein Wealth Services, LLC ("PGWS"). The Division has determined to resolve this matter, after investigation but without instituting administrative proceedings, by entering into this Agreement.

II.

It is hereby agreed by and between the Division and PGWS that:

1. PGWS, a Rhode Island limited liability company formed on August 4, 2005, is an investment adviser with a principal place of business at 144 Westminster St. Providence, Rhode Island.
2. On November 15, 2005, PGWS was granted an investment adviser license pursuant to §7-11-208.

3. In or about August 2005 PGWS established an arrangement with Lincoln Financial Advisors Corporation ("LFA"), a federally registered investment adviser. The agreement was established to allow PGWS to refer clients to LFA for advisory services, and received a fee for such referral.

4. As a result of a routine examination conducted by the Securities Division of the Department on May 4<sup>th</sup> and May 23<sup>rd</sup>, 2006 pursuant to §7-11-211 of RIUSA, it was determined that:

a) The acknowledgement letter PGWS issued to its clients, which PGWS considered such letter to be its advisory agreement, represents an "alliance between Piccerelli, Gilstein & Co., LLP and Lincoln Financial Advisors Corporation". Piccerelli, Gilstein & Co., LLP is a CPA firm and is not a licensed investment adviser; therefore, Piccerelli, Gilstein & Co. LLP can not share in advisory fees, and is in violation of §7-11-203 of RIUSA.

b) On January 19, 2006 Frank DeLuca was licensed as a sales representative of Lincoln Financial Advisors while also licensed as an investment adviser representative of PGWS without PGWS filing a written statement as required by Rule 208(d), promulgated under R.I. Gen. Laws §7-11-208.

c) PGWS failed to file its annual amendment to Form ADV within 90 days of fiscal year end, in violation of Rule 209(d)-1.B, promulgated under R.I. Gen. Laws §7-11-209.

d) PGWS failed to maintain a complete written advisory agreement with clients defining the duties and responsibilities of respective parties, in violation of Rule 212(a)-1.C.15., promulgated under R.I. Gen. Laws §7-11-212 and in violation of Rule 206(4)-3(b) of the Investment Adviser Act of 1940.

e) PGWS failed to receive written acknowledgement from the client of receipt of Form ADV Part II from PGWS, in violation of Rule 206(4).3. of the Investment Advisers Act of 1940.

f) PGWS failed to provide the disclosure document and receive written acknowledgement from the client of receipt of disclosure of sub-adviser, in violation of Rule 206(4).3. of the Investment Advisers Act of 1940.

### III.

Based on the foregoing, the Division finds that the following is in the public interest, appropriate for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of RIUSA.

Accordingly, it is hereby further agreed that:

1. PGWS shall immediately undertake to comply fully with Sections 208, 209 and 212 of RIUSA, the rules promulgated thereunder and Rule 206(4).3. of the Investment Advisers Act of 1940.

2. PGWS shall file a written statement with the Division, regarding the relationship between Piccerelli, Gilstein & Co. LLP and Lincoln Financial Advisor Corporation within thirty (30) days of the date of the Agreement.

3. PGWS has filed a written statement with respect to multiple licensure with Division, as required under Rule 208(d).

4. On January 29,2007 PGWS has filed an annual amendment to the Form ADV via the Investment Adviser Registration Depository.

5. PGWS has developed an investment advisory agreement to conform with the requirements of RIUSA and Rule 206(4)3(b), and submitted the investment advisory

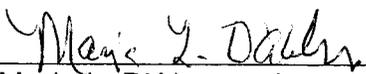
agreement to the Division review. PGWS shall provide all its clients with the advisory agreement, submit evidence to the Division of the same, and PGWS shall instruct all clients to sign the revised investment advisory agreement to replace the acknowledgement letter.

6. PGWS shall provide the Division with written documentation indicating all clients have received the disclosure documents from PGWS and Lincoln Financial Advisors Corporation, within thirty (30) days of the date of the Agreement.

7. PGWS shall, upon signing this Agreement, pay an administrative penalty in the amount of twenty five hundred dollars (\$2500.00) to the Department; and

8. Additional violations of Section 203, 208, 209 and 212 of RIUSA the Rules promulgated thereunder, or the Advisers Act Rules may be grounds for significant and substantial penalties such as revocation or suspension, administrative penalties up to \$10,000 per violation and the imposition of criminal and civil sanctions.

Dated as of the 22<sup>nd</sup> day of May, 2007.

  
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Maria L. D'Alessandro  
Associate Director and  
Superintendent of Securities

Piccerelli, Gilstein Wealth Services

By: Frank DeLuca

Its: member

On this 17 day of MAY, 2007 appeared before me FRANK DELUCA,  
who executed the foregoing Consent  
Agreement and who duly acknowledged to me that he (she) was authorized to do so.

NOTARY PUBLIC John A. Marchese

My Commission Expires 7/9/09

CONSENT AGREEMENT-PGWS  
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