

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: ALTON SECURITIES GROUP, INC. )  
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 )

FILE NO. 02010~~40~~<sup>20</sup>

NOTICE OF HEARING

TO THE RESPONDENT:

Alton Securities Group, Inc.  
2410 State Street  
Post Office Box 160  
Alton, Illinois 62002

c/o John R. Short  
Attorney at Law  
Blackwell, Sanders, Peper Martin LLP  
720 Olive Street, Suite 2400  
Saint Louis, Missouri 63101

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14Ill. Adm. Code 130, Subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 9th day of July 2003, at the hour of 10:00 a.m., or as soon as possible thereafter, before Soula J. Spyropoulos, Esq. or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered revoking Alton Securities Group, Inc.'s (the "Respondent"), registration as a dealer in the State of Illinois and/or granting such other relief as may be authorized under the Act including but not limited to the imposition of a monetary fine in the maximum amount pursuant to Section 11.E(4) of the Act, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows:

1. That at all relevant times, the Respondent was registered with the Secretary of State as a dealer in the State of Illinois pursuant to Section 8 of the Act.
2. That Douglas M. Cherry (Cherry), Terrence V. Mohr (Mohr) and Robert L. Norris (Norris) are natural persons and during all relevant times, were employed by the

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Respondent to act as salespersons in the offer and sale of securities to the general public.

3. That in connection with the aforementioned activities:
  - a. Cherry, between May 1, 2001 and October 3, 2002 effected approximately 41 purchase transactions in customer accounts totaling \$311,385.00. Concurrently, he effected approximately 13 sell transactions in customer accounts totaling \$177,385.00. His gross commission was \$3,822.00 with a net commission received of \$3,185.00;
  - b. Norris during the years of 2001 and 2002, effected approximately 9 transactions in customer accounts receiving net commissions in the approximate amount of \$6,000; and
  - c. Mohr, during the years of 2001 and 2002, effected 5 transactions in customer accounts receiving net commissions in the approximate amount of \$1,000.
4. That during all relevant times, Cherry, Norris and Mohr were not registered with the Secretary of State as salespersons in the State of Illinois pursuant to Section 8 of the Act.
5. That Section 8.E (1)(e)(ii) of the Act provides, inter alia, that the registration of a dealer may be revoked if the Secretary of State finds that such dealer has offered or sold securities in this State through a salesperson other than a registered salesperson.
6. That by virtue of the foregoing, the Respondent's registration as a dealer in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(e)(ii) of the Act.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

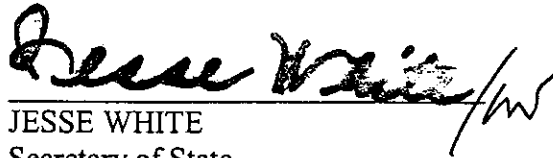
A copy of the Rules, promulgated under the Act and pertaining to Hearing held by the Office of the Secretary of State, Securities Department, is included with this Notice.

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Delivery of this Order or any subsequent notice to the designated representative of any Respondent constitutes service upon such Respondent.

ENTERED: This 20<sup>th</sup> day of May, 2003.

A handwritten signature in black ink, appearing to read "Jesse White" with a stylized flourish at the end.

JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:  
Daniel A. Tunick  
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Illinois Securities Department  
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Hearing Officer:  
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