



Amended Notice Of Hearing

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3. That the AWC found:
  - a. From approximately March 2000 until May 2001, the Respondent, while he was a general securities representative of the Member (his employing firm), recommended securities transactions without having a reasonable basis for believing that the recommendations and resulting sales were suitable for customers LC and VC, who were married to each other. The specific unsuitable recommendations and transactions included mutual fund switching by making approximately 11 purchases and sales of different share funds of different mutual fund families during a 14-month period. The Respondent's acts and conduct with respect to the accounts of LC and VC constitute violations of NASD Conduct Rules 2110 and 2310 and IM 2310-2.
  - b. From approximately March 2000 until May 2001, the Respondent executed approximately 11 mutual fund switches in the accounts of LC and VC without written authorization, which acts constitute separate violations of NASD Conduct Rules 2110 and 2510.
  - c. From approximately March 2000 until May 2001, the Respondent prepared and/or submitted falsified documents containing the purported signatures of LC and VC on forms required by American Express Financial Advisors, that explained the financial impact of transactions in connection with the mutual fund switches that occurred on 11 occasions in their accounts. The Respondent's acts and conduct constitute separate violations of NASD Conduct Rule 2110.
4. That Section 8.E (1)(j) of the Act provides, inter alia, that the registration of a salesperson may be revoked if the Secretary of State finds that such salesperson has been suspended by any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory organization.
5. That NASD is a self-regulatory organization as specified in Section 8.E (1)(j) of the Act.

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6. That Section 8.E (3) of the Act provides, inter alia, withdrawal of an application for registration or withdrawal from registration as a salesperson, becomes effective 30 days after receipt of an application to withdraw or within such shorter period of time as the Secretary of State may determine. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the Secretary of State may nevertheless institute a revocation or suspension proceeding within 2 years after withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.
7. That by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to revocation pursuant to Sections 8.E(1)(j) and 8.E(3) 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 hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

Delivery of Notice to the designated representative of any Respondent constitutes service upon such Respondent.

ENTERED: This 30<sup>th</sup> day of June 2005



JESSE WHITE  
Secretary of State  
State of Illinois

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