

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: JAMES E. BEY

FILE NO. 0500050

CONSENT ORDER OF SUSPENSION

TO THE RESPONDENT: James E. Bey  
(CRD #: 1933696)  
19 S. Huffman Street  
Naperville, Illinois 60540

C/o Peter A. Cantwell  
Cantwell & Cantwell  
Attorneys at Law  
30 North LaSalle Street  
Suite 2850  
Chicago, Illinois 60602-3481

WHEREAS, Respondent on the 20th day of October 2005 executed a certain Stipulation to Enter Consent Order of Suspension (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department, dated April 6, 2005 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Suspension ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, while neither admitting nor denying the truth thereof, that the following allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1. That at all relevant times, the Respondent was registered with the Secretary of State as a salesperson (Series 6) and as an investment advisor representative in the State of Illinois pursuant to Section 8 of the Act, until February 2, 2005.

Consent Order of Suspension

- 2 -

2. That on January 6, 2005, NASD entered a Letter Of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding FILE NO. C8A050002 which imposed the following sanctions:
  - a. four-month suspension from association with any NASD member firm in any capacity; and
  - b. fined \$5,000.
3. That the AWC found:

**{Forgery NASD Conduct Rule 2110}**

  - a. On June 26, 2003, the Respondent submitted a falsified request to reinstate a life insurance policy for customer N.E. The Respondent forged customer N.E.'s signature on this reinstatement request. He also forged customer N.E.'s signature on a non-medical questionnaire that was submitted with the reinstatement request. In addition, he forged customer N.E.'s signature on the money order that was purchased to pay the premium.
  - b. Such acts, practices and conduct constitute separate and distinct violations of NASD Conduct Rule 2110 by the Respondent.
4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson and investment advisor representative may be revoked if the Secretary of State finds that such salesperson and investment advisor representative 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.
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 or investment advisor representative, 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,

Consent Order of Suspension

- 3 -

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.

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

That by virtue of the foregoing, the Respondent's registration as a salesperson (Series 6) and as an investment advisor representative in the State of Illinois is subject to revocation pursuant to Sections 8.E(1)(g) and 8.E(3) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that:

1. His registration as a salesperson (Series 6) and as an investment advisor representative in the State of Illinois shall be suspended from February 2, 2005 through October 31, 2005; and
2. He shall not apply for registration as a salesperson in the State of Illinois (Series 7) for a period of three (3) years from the entry of this Consent Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:


1. James E. Bey's registration as a salesperson and as an investment advisor representative in the State of Illinois shall be suspended from February 2, 2005 THROUGH October 31, 2005.
2. James E. Bey shall not apply for registration as a salesperson in the State of Illinois (Series 7) for a period of three (3) years from the entry of this Consent Order.

Consent Order of Suspension

- 4 -

3. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

DATED: This 24<sup>th</sup> day of October 2005.

  
JESSE WHITE  
Secretary of State  
State of Illinois