STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF:	Jay C. Zayer CRD# 1972600	FILE # 0500587

TO RESPONDENT

Jay C. Zayer
CRD# 1972600
343 Park Avenue 4E
Highland Park, Illinois 60035

CONSENT ORDER

WHEREAS, Respondent on the 15th day of September executed a certain Stipulation to Enter Consent Order (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 Second Amended Notice of Hearing of the Secretary of State, Securities Department, dated January 15th, 2009 in this proceeding (the "Notice") and Respondent has consented to the entry of the Consent Order.

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or 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. Jay C. Zayer ("Respondent") is an individual with a last known address of 343 Park Avenue, Apt. 4E, Highland Park, Illinois 60035.

2. Respondent was registered in Illinois as a salesperson through his employment with National Securities, Inc. between June 28, 2001 and September 15, 2005. His CRD number is 1972600.

3. Respondent is currently registered in Illinois through his employment with Kovack Securities, Inc.

4. During Respondent's employment with National Securities, Inc. and in particular 2001 through 2003 he conducted excessive trades of equities and options, in the account of an investor identified as "OS". Specifically, Respondent turned over OS' account 14.42 times in 2002; 22.390 times in 2003; and 30.33 times in 2004.

5. The account of "OS" was not a discretionary account.

6. The products identified in the paragraph 4 above are securities as defined in Sections 2.1 of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").

7. That Section 8.E(1)(m) of the Act provides, *inter alia*, that the registration of a salesperson may be denied, suspended or revoked if the Secretary of State finds that such salesperson has conducted a continuing course of dealing as to demonstrate an inability to properly conduct the business of the dealer, limited Canadian dealer, salesperson, investment adviser, or investment adviser representative.

8. Acknowledges without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

   By virtue of the foregoing, Respondent violated Section 8.E(1)(m) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he desires to resolve this matter absent further administrative action.

WHEREAS, Respondent acknowledges and agrees that within 9 months of the date of the Consent Order he will cause a compliance audit of Respondent to be performed by Kovack Securities, Inc. or his then current employer. Respondent shall notify the Illinois Securities Department Department in writing of the results of such compliance audit within 30 days of the completion of subject audit.

WHEREAS, Respondent acknowledges and agrees that he will provide the Illinois Securities Department written proof of the completion of 10 hours of FINRA approved courses within 1 year of the date of the Consent Order. This is in addition to any FINRA continuing education requirements.

WHEREAS, Respondent acknowledges and agrees that he shall notify the Illinois Securities Department of any customer complaints he receives for a period of 1 year from the date of the Consent Order. Notification shall be in writing and within 30 days of the date of the complaint.

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:

1. That within 9 months of the date of the Consent Order Respondent shall cause a compliance audit of Respondent to be performed by Kovack Securities, Inc. or his then current employer. Respondent shall notify the Illinois Securities Department in writing of the results of such compliance audit within 30 days of the completion of subject audit.

2. That Respondent shall provide the Illinois Securities Department written proof of the completion of 10 hours of FINRA approved courses within 1 year of the date of the Consent Order. This is in addition to any FINRA continuing education requirements.

3. That Respondent shall notify the Illinois Securities Department of any customer complaints he receives for a period of 1 year from the date of the Consent Order. Notification shall be in writing and within 30 days of the date of the complaint.

4. That the formal hearing in this matter is dismissed without further proceeding.

DATED: This 21st day of September 2009.

JESSE WHITE
Secretary of State
State of Illinois

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