

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: STEVEN J. SIMONE

FILE NO. 0900492

NOTICE OF HEARING

TO THE RESPONDENT:

Steven J. Simone
(CRD #: 2413602)
2148 72 Street
East Elmhurst, New York 11370

Steven J. Simone (CRD #: 2413602)
C/o Salomon Whitney LLC
15 Deer Park Avenue Suite 1
Babylon Village, New York 11720

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 24th day of February, 2010 at the hour of 10:00 a.m. or as soon as possible thereafter, before James L. Kopecky 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 Steven J. Simone's (the "Respondent") registration as a salesperson 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 salesperson in the State of Illinois pursuant to Section 8 of the Act.
2. That on October 19, 2009 FINRA entered a Letter Of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding File No. 200801576640 Which sanctioned the Respondent as follows:

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- a. suspension from associating with any FINRA member firm in all capacities for 20 business days; and
 - b. \$10,500 fine, which includes the disgorgement of commissions received of approximately \$8,000.
3. That the AWC found:

OVERVIEW

Between July 31, 2008 and August 18, 2008, (the "relevant time period"), the Respondent exercised discretionary authority in the account of HL, who died on July 23, 2008, without having written authorization from HL to exercise discretionary authority in his account and without having obtained written acceptance by his employer Westrock to exercise such discretionary authority in the account.

FACTS AND VIOLATIVE CONDUCT

From July 31, 2008 through August 18, 2008, Respondent exercised discretionary authority in the account of Westrock customer HL, who died on July 23, 2008, without having written discretionary authority from HL to exercise discretionary authority in his account and without having obtained written acceptance by his employer Westrock to exercise such discretionary authority in the account. The discretionary transactions generated approximately \$8,000 in commissions. During the relevant time period, including fees and commissions, the HL account realized a loss of approximately \$170.00; excluding fees and commissions the HL account would have realized a gain of approximately \$5,800. By reason of the foregoing, the Respondent violated NASD Conduct Rules 2510 and 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 FINRA is a self-regulatory organization as specified in Section 8.E (1)(j) of the Act.

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6. That by virtue of the foregoing, the Respondent's registration as a Salesperson in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(j) of the Act.

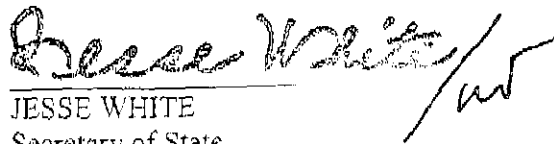
You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 ILL. Adm. Code 130)(the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time 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.

Dated: This 5th day of January, 2010.



JESSE WHITE
Secretary of State
State of Illinois

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Hearing Officer:
James L. Kopecky