

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF:

Lawrence Y. Lee (CRD# 2612348).

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) **File No: 1100484**
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ORDER OF REVOCATION

TO THE RESPONDENT:

Lawrence Y. Lee
(CRD# 2612348)
2332 S. Michigan Ave. #407
Chicago, IL 60616

WHEREAS, the above-captioned matter came on to be heard on February 1, 2012 as scheduled by the Notice of Hearing dated December 9, 2011 that was served on the Respondent by the Secretary of State.

WHEREAS, the record of the hearing conducted pursuant to the Illinois Securities Law of 1953 [815 ILCS 5/11.E and F] (“the Act”) and the Rules and Regulations promulgated under the Act [14 Ill. Adm. Code 130, subpart K] (“the Rules”) has been reviewed by the Secretary of State or his duly authorized representative.

WHEREAS, Canella E. Henrichs, sitting in for George Berbas, served as the Hearing Officer in this matter, and presided over the Hearing conducted on February 1, 2012.

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed proper and are hereby concurred with by the Secretary of State.

WHEREAS, the proposed Findings of Fact, Conclusions of Law and Recommendations of the Hearing Officer, Canella E. Henrichs, in the above captioned matter have been read and examined by the Secretary of State or his duly authorized representative.

WHEREAS, the following proposed Findings of Fact of the Hearing Officer are hereby adopted as the Findings of Fact of the Secretary of State:

1. The Department served Respondent with the Notice of Hearing on December 9, 2011 and also on December 14, 2011.
2. The Notice of Hearing included the information required under Section 130.1102 of Subpart K of the Rules and Regulations.

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3. The Respondent failed to answer, appear, or submit a responsive pleading.
4. The Respondent did not appear at the Hearing nor was he represented by counsel.
5. The Respondent was arrested on August 30, 1987 by the Rolling Meadows Police Department and charged with one felony count of Aggravated Criminal Sexual Assault (Ill. Rev. Stat. Ch. 38, para. 12-14) and two felony counts of Home Invasion (Ill. Rev. Stat. Ch. 38, para. 12-11).
6. Subsequent to his arrest, on September 23, 1987 the Cook County State's Attorney filed a superseding indictment charging respondent Lee with seven felony counts including two counts of Aggravated Criminal Sexual Assault, a Class X felony, two counts of Criminal Sexual Assault, a Class 1 felony, two counts of Residential Burglary, a Class 1 felony, and one count of Aggravated Criminal Sexual Abuse, a Class 2 felony.
7. On May 23, 1988, Lee entered a guilty plea to the one count of Aggravated Criminal Sexual Abuse in violation of Il. Rev. Stat. Ch. 38, para. 12-16, a Class 2 felony and was sentenced to probation, a fine and community service.
8. On January 22, 2007, Respondent Lee was registered as a securities sales person in the State of Illinois.
9. On January 22, 2007, Respondent Lee amended his U4 Form through his broker-dealer (Exhibit 9).
10. On the amended U4 Form Lee answered "No" to the following questions (Exhibit 9 at p.9):
 - Have you ever:
 - a. Been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to and *felony*?
 - b. Been *charged* with any felony?
11. Between the period March 9, 2007 through and including September 27, 2010, Respondent Lee submitted or caused to be submitted twenty-four U4s (Group Exhibit 10) the last dated September 27, 2010.
12. In each of these twenty-four filings Lee never amended his U4 Form to disclose that he had been previously charged with seven felonies and that he had pled guilty and stood convicted of a felony, namely, Aggravated Criminal Sexual Abuse.
13. Respondent Lee failed to file IL-1040 tax returns for each of the following years: 2005, 2006, 2007, 2008, and 2009.

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WHEREAS, the following proposed Conclusions of Law made by the Hearing Officer are correct and are hereby adopted as the Conclusions of Law of the Secretary of State:

1. The Secretary of State has jurisdiction over the subject matter hereof pursuant to the Act, and has personal jurisdiction over Respondent under the Act and the Rules and Regulations.
2. Respondent Lee is licensed by the Illinois Secretary of State Department of Securities as a salesperson.
3. The Notice of Hearing included the information required under Section 1102 of the Rules and Regulations.
4. The Department properly served the Notice of Hearing on Respondent Lee.
5. Because of Respondent Lee's failure to file a timely answer, special appearance or other responsive pleading in accordance with Section 13.1104 of the Rules and Regulations:
 - a. The allegations contained in the Notice of Hearing are deemed admitted;
 - b. Respondent Lee waived the right to a hearing;
 - c. Respondent Lee is subject to an Order of Default.
6. Because Respondent Lee failed to appear at the time and place set for hearing, in accordance with Section 130.1196 of the Rules and Regulations, he waived the right to present evidence, argue, object or cross examine witnesses; or otherwise participate at the hearing.
7. In relevant part, Section 8.E(1)(h) provides that the registration of a salesperson may be suspended or revoked if the Secretary of State finds that such sales person has made any material false statement or material misrepresentation to the Secretary of State in connection with any information deemed necessary by the Secretary of State to determine a salesperson's business repute or qualifications.
8. Because Respondent Lee made multiple material false statements concerning his criminal history in his U4 filings submitted between January 22, 2007 and September 27, 2010, Lee's registration as a securities sales person in the State of Illinois is subject to revocation or suspension pursuant to 8.E(1)(h).
9. Section 8.E(1)(o) of the Act provides that the registration of a salesperson may be suspended or revoked if the Secretary of State finds that such salesperson has failed to file a return, *inter alia*, as required by the Tax Act administered by the Illinois Department of Revenue, until such time as the requirements of that Tax Act are satisfied.

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10. Because Respondent Lee failed to file IL-1040 tax returns for the years 2004, 2005, 2006, 2007, 2008, and 2009, Respondent Lee's registration as a securities sales person in the State of Illinois is subject to revocation or suspension pursuant to Section 8.E(1)(o).

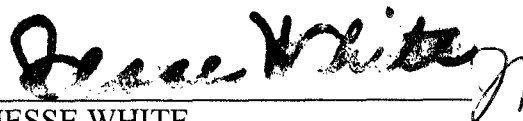
WHEREAS, the Secretary of State adopts the following Recommendations made by the Hearing Officer:

1. An Order of Default be entered against Respondent Lee;
2. An Order be entered revoking Respondent Lee's registration as a securities salesperson in the State of Illinois; and

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. Respondent **Lawrence Y. Lee** is in default.
2. Respondent **Lawrence Y. Lee's** registration as a securities salesperson in the State of Illinois is **REVOKED**.

Dated this 15th day of February, 2012.



JESSE WHITE
Secretary of State
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 Felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, {735 ILCS 5/3-101 et seq.} and the Rules and Regulations of the Illinois Securities Act, {14 Ill. Admin. Code Ch. I, Section 130.1123}. Any action for Judicial Review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

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