

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

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IN THE MATTER OF: KERY S. HUTNER)) FILE NO. 1100194
_____))

CORRECTED NOTICE OF HEARING

TO THE RESPONDENT: Kery S. Hutner (CRD #: 2631738)
 3186 Richmond Road
 Beachwood, Ohio 44122

 Kery S. Hutner (CRD #: 2631738)
 C/o Wells Fargo Advisors, LLC.
 One North Jefferson Avenue
 St. Louis, Missouri, 63103

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 22nd day of June, 2011 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 denying Kery S. Hutner'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 on March 10, 2011, Wells Fargo Advisors, LLC, a registered dealer, filed a Form U-4 application for registration of the Respondent as a salesperson in the State of Illinois pursuant to Section 8 of the Act.
2. That on January 31, 2002 an Exchange Hearing Panel of the New York Stock Exchange Inc. (NYSE) accepted a Stipulation of Facts and Consent to Penalty entered into between the Exchange's Division of Enforcement and the Respondent (Decision) in File No. 02-27 which imposed the following sanctions:

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- a. censure; and
 - b. suspension for a period of two months from membership, allied membership, approved person status, and from employment or association in any capacity with any member or member organization.
3. That the Decision found:
- a. During the period April to July 1999, the Respondent caused an individual to open an account with his member firm employer so that he could trade initial public offerings and share in the profits of the account without reflecting the account's true beneficial ownership. He also processed a change of address for the customer without authorization and caused a check from the customer's account to be mailed to his own address, as set forth below account of Ms. A
 - b. In or about April 1999, the Respondent arranged for Ms. A to open an account at the Firm in her own name so that the Respondent and his brother could trade initial public offerings ("IPO"). At that time, Ms. A, who had no prior investment experience and had never traded IPOs, was the fiance of the Respondent's brother.
 - c. On or about April 6, 1999, Ms. A opened an account with the Respondent at the Firm. Ms. A's new account form listed her occupation as executive assistant and age as 29 years. Ms. A's annual income and net worth were both listed as \$33,000 and her investment objectives were noted as income, aggressive income, capital appreciation and speculation. The new account document for Ms. A did not list any prior investment experience.
Ms. A's Account Activity
 - d. On or about May 26, 1999, the Respondent issued a check to Ms. A in the amount of \$450. These funds were primarily used to purchase IPOs in Ms. A's account.
 - e. Ms. A deposited the funds she received from the Respondent into her personal checking account and then wrote her own check, which she deposited into her Firm account.
 - f. During the time the Respondent serviced Ms. A's account, he effected three IPO transactions in the account, all of which were purchased at the offering price and all of which earned a profit, as follows (these were the only securities transactions in the account):

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Date	Shares/IPO	Purchase Price	Date Sold	Sale Price	Days Held	Profit	% Gain
4/14/99	50/XYZ	850	4/19/99	2,762.50	5	1,912.50	225%
5/18/99	25/UVW	525	5/18/99	1,750.00	0	1,225	233%
5/28/99	50/RST	950	7/2/99	4,446.01	34	3,496.01	368%
Total		2,325		8,958.51	13 (average)	6,633.51	285.3%

- f. The three IPOs traded in Ms. A's account were so called "hot issues" which, according to Firm policy, the Respondent would not have been allowed to trade in his own account at the public offering price.
- g. In or around June 1999, Ms. A's engagement to Hutner's brother ended and she ceased communicating with her former fiancé. Shortly thereafter, the Respondent contacted Ms. A and suggested that she sell the open position in her account and gives him his share of profits from the IPO trades. Ms. A agreed, on the condition that she receives sufficient funds to pay all the taxes due on the profits from the IPO trades. Address Changes and Checks Issued from A's Account
- h. On or about June 29, 1999, the Respondent instructed the Firm's cashier to change Ms. A's address from her address to his personal residence.
- i. On or about July 2, 1999, the Respondent caused a check from Ms. A's account in the amount of \$4,471.01 to be mailed to his residence, which he then delivered to Ms. A for her endorsement. Ms. A endorsed the check and gave it back to Hutner. At this time, the Respondent gave Ms. A \$450 in cash in partial payment for the taxes she would incur on the profits from the IPO trades.
- j. Ms. A decided that the amount given to her by the Respondent for taxes was not sufficient and she stopped payment on the Firm check that he had brought her and had a replacement check issued by the Firm, which she picked up in person.
- k. In or around July 1999, Ms. A gave Hutner a cashier's check in the amount of \$1,521.01.
- l. That by virtue of the foregoing, the respondent:

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- i. Engaged in conduct inconsistent with just and equitable principles of trade in that he failed to disclose an ownership interest in a securities account, and caused the address of a customer account to be changed to his own address without authorization;
 - ii. Violated Exchange Rule 352(c) by agreeing to share in the profits in a customer's account;
 - iii. Violated Exchange Rule 409(b) by causing a check from a customer's account to be sent to his own address ;
 - iv. Violated Exchange Rule 440 and SEC Regulations 240.17a-3 and 17a-4 by causing a customer's address to be inaccurately reflected on the books and records of his member firm employer; and
 - v. Caused a violation of Exchange Rule 406 by causing his member organization employer to carry an account without reflecting the true beneficial ownership.
4. That Section 8.E (1)(j) of the Act provides, inter alia, that the registration Of a salesperson may be denied 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.
6. That by virtue of the foregoing, the Respondent's registration as a Salesperson in the State of Illinois is subject to denial pursuant to Section 8.E(1)(j) of the Act.

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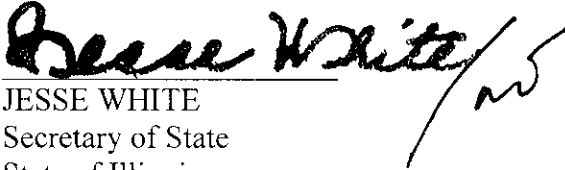
You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 ILL. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed 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 19th day of April 2011.


JESSE WHITE
Secretary of State
State of Illinois

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Hearing Officer:
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