

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: JARID A. BROWN)
) File No 1000097
)

NOTICE OF HEARING

TO THE RESPONDENT: Jarid A. Brown
4423 Foxbury Lane
Springfield, Illinois 62711

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953, [815 ILCS 5/1 et seq.] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 300 West Jefferson Street, Suite 300A, Springfield, Illinois 62702, on the 19th day of January, 2011, at the hour of 10:00 a.m., or as soon thereafter as counsel may be heard, before Jon K. Ellis, or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order of Prohibition should be entered against Jarid A. Brown (the "Respondent") in the State of Illinois and granting such other relief as may be authorized under the Act including but not limited to imposition of a monetary fine in the maximum amount pursuant to Section 11 of the Act, payable within ten (10) days of the entry of the Order.

The grounds for such proposed action are as follows:

1. That Respondent, Jarid A. Brown, is an individual with a last known address of 4423 Foxbury Lane, Springfield, Illinois 61820;
2. That on or about February 1, 2005, May 15, 2007, September 24, 2008, November 11, 2008, and February 10, 2009, Respondent Jarid A. Brown offered and sold to LS, an Illinois resident, annuities for a total amount of \$59,672.24;
3. That on or about June 1, 2010, pursuant to Section 11.C of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act"), the Illinois Securities Department ("Department") sent an inquiry letter ("inquiry letter") to Respondent Jarid A. Brown, requiring that a written response be forwarded to the Department within 10 days of receipt;

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4. That the records of the Department indicate Respondent Jarid A. Brown received aforesaid inquiry letter on June 11, 2010;
5. That the Department did not receive a response to the aforesaid inquiry letter within the aforesaid required time period and as of August 24, 2010, no such response had been received by the Department;
6. That on or about August 24, 2010, the Department sent a follow up letter and a copy of the aforesaid inquiry letter ("follow up letter") to Respondent Jarid A. Brown, advising Respondent that the Department had not received a timely response to the aforesaid inquiry letter and required said response within 5 days of receipt;
7. That the records of the Department indicate Respondent Jarid A. Brown received aforesaid follow up letter and copy of the original inquiry letter on September 2, 2010;
8. That the Department did not receive a reply to the aforesaid follow up letter or inquiry letter within the required time period nor has the Department received a response of any kind as of this date;
9. That on or about September 29, 2010, and October 5, 2010, the Department attempted to contact Respondent Jarid A. Brown by phone in this regard, that during each attempted phone call, the voice mail announcement identified the Respondent as the recipient of the call, and that the Department's representative left a voice mail message identifying himself and the Department and requesting the Respondent to return the phone call to discuss the aforesaid inquiry letters;
10. That as of this date, the Department has not received any response or return phone call from Respondent regarding the Department's aforesaid voice mail messages;
11. That Section 11.C of the Act provides, inter alia, that whenever it shall appear to the Secretary of State, either by complaint or otherwise, that the Act, or any rule or regulation prescribed under authority thereof, has been or is about to be violated, he or she may, in his or her discretion require the person to file with the Secretary of State a statement in writing as to all

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the facts and circumstances concerning the subject matter which the Secretary of State believes to be in the public interest to investigate and conduct an investigation as necessary or advisable for the protection of the interests of the public;

12. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document or application required to be filed under the provisions of the Act;
13. That at all times relevant hereto, Respondent Jarid A. Brown failed to file a response to the aforesaid inquiry letter with the Department pursuant to the Department's lawful investigation of this matter and as required by the Act;
14. That by virtue of the foregoing, Respondent Jarid A. Brown has violated Section 12.D of the Act;
15. That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
16. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act, as well as an order of public censure and the costs of investigation and reasonable expenses;
17. That by virtue of the foregoing, Respondent Jarid A. Brown is subject to a fine of up to \$10,000.00 per violation, costs of investigation, reasonable expenses, an order of censure, and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

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 or a Special Appearance pursuant to Section 130.1107 of the Rules, or other responsive pleading within thirty days of the receipt of this notice. Your failure to do so within the

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prescribed time shall be deemed an admission of the allegations contained in the Notice of Hearing and waives your right to a 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.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent.

Dated this *16th* day of *November*, 2010



Jesse White
Secretary of State
State of Illinois

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