

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

\_\_\_\_\_) )  
**IN THE MATTER OF: JAMES L. PARIS Jr. )**  
\_\_\_\_\_) )

**FILE NO. 1000029**

**CONSENT ORDER OF DISMISSAL**

TO THE RESPONDENT: James L. Paris Jr.  
(CRD#: 1722114)  
39 Fenhill Lane  
Palm Coast, Florida 32137

WHEREAS, Respondent on the 19<sup>th</sup> day of May, 2010 executed a certain Stipulation to Enter Consent Order of Dismissal (the "Stipulation"), which hereby is in corporate by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department, dated April 20, 2010, in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Dismissal "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. That on October 1, 2009 Stock Market Income Advisors, Inc., a registered investment adviser, filed a Form U-4 application for registration of the Respondent as an investment adviser representative in the State of Illinois pursuant to Section 8 of the Act.
2. That on May 13, 2003 FINRA entered a Letter of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding File No. **CO7030031** Which sanctioned the Respondent as follows: a. \$7,500 fine; and b. suspension from association with any NASD member in any principal capacity for one year.
3. That the AWC found:

During the period from March, 2000, through February, 2002, the Respondent, in violation of NASD Conduct Rules 2110 and 3010, failed to adequately supervise James L. Paris Securities, Inc.'s ("JLPS") compliance with applicable capital, recordkeeping and financial reporting requirements, in that:

- 1) From March 9, 2000 - December 28, 2000, January 8, 2001-December 20, 2001, and December 31, 2001-February 28, 2002, JLPS failed to maintain the minimum capital required under Securities Exchange Act ("SEA") Rule 15c3-1 and violated Rule 15c3-1 and NASD Conduct Rule 2110 on each day it conducted a securities business during these time periods. In addition, the firm failed to notify the SEC and NASD of its net capital deficiencies, as required by SEA Rule 17a-11, in violation of NASD Conduct Rule 2110 and SEA Rule 17a-11.
- 2) From January 31, 2001-February 28, 2002, JLPS prepared and maintained a materially inaccurate general ledger, a materially inaccurate trial balance, and materially inaccurate net capital computations, in violation of SEA Rule 17a-3 and NASD Conduct Rule 2110. In addition, the firm failed to notify the SEC and NASD that its records were not current, as required by SEA Rule 17a-11, in violation of NASD Conduct Rule 2110 and SEA Rule 17a-11.
- 3) From January 1, 2000-December 31, 2001, JLPS filed seven materially inaccurate FOCUS reports, in violation of NASD Conduct Rule 2110 and SEA Rule 17a-11.
4. That Section 8.E (1)(j) of the Act provides, inter alia, that the registration Of an investment adviser representative 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.

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting nor denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

The Respondent's registration as an investment adviser representative in the State of Illinois is subject to denial pursuant to Section 8.E(1)(j) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he shall be levied costs incurred during the investigation of this matter in the amount of Seven Hundred Fifty Dollars (\$750.00). Said amount is to be paid by certified

or cashier's check, made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that He has submitted with the Stipulation a certified or cashier's check in the Amount of Seven Hundred Fifty Dollars (\$750.00). Said check has been made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund and represents reimbursement to cover the cost incurred during the investigation of this matter.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he will continue to abide by and conform to the terms and restrictions contained in the June 26, 2009 agreement by and between the State of Florida and himself ("the "Agreement"). In the event he changes employers, he will continue to abide by and conform to the aforementioned restrictions until the entire time provided by the Agreement has expired.

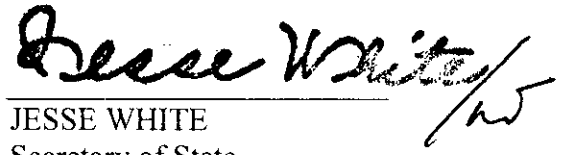
WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

1. The Respondent is levied costs of investigation in this matter in the amount of even Hundred Fifty dollars (\$750.00), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, and on 2010 has submitted Seven Hundred Fifty dollars (\$750.00) in payment thereof.
2. The Respondent shall continue to abide by and conform to the terms and restrictions contained in the June 26, 2009 agreement by and between the State of Florida and himself ("the "Agreement"). In the event he changes employers, he will continue to abide by and conform to the aforementioned restrictions until the entire time provided by the Agreement has expired.
3. The Notice of Hearing dated April 20, 2010 is dismissed.

4. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED- This 4<sup>th</sup> day of June, 2010.

A handwritten signature in black ink that reads "Jesse White" with a stylized flourish at the end.

JESSE WHITE  
Secretary of State  
State of Illinois

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