

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

\_\_\_\_\_  
IN THE MATTER OF: WILLIAM JOHN NASGOVITZ )  
\_\_\_\_\_)

FILE NO. 0800264

**CONSENT ORDER OF DISMISSAL**

TO RESPONDENT:           William John Nasgovitz  
                                  (CRD: 344990)  
                                  4470 North Lake Drive  
                                  Milwaukee, Wisconsin 53211

C/o Alps Distributors, INC  
789 N. Water Street Suite 500  
Milwaukee, Wisconsin 53202

WHEREAS, Respondent on the 22nd day of August, 2008 executed a certain Stipulation to Enter Consent Order of Dismissal (the "Stipulation"), which hereby is incorporated 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 July 14, 2008 in the proceeding (the "Notice") and Respondent has consented to the entry of the 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 all relevant times, the Respondent was registered with the Illinois Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act from August 2, 2007 to the present.

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2. That on January 25, 2008 the Securities and Exchange Commission (SEC) entered and Order instituting administrative and Cease and-Desist File No. 3-12936 which sanctioned the Responded as follows:
  - a. Respondent and Heartland Advisors cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) and 17(a)(3) of the Securities Act.
  - b. Respondent and Heartland Advisors cease and desist from committing or causing any violations and any future violations of Section 34(b) of the Investment Company Act.
  - c. Heartland Advisors cease and desist from committing or causing any violations and any future violations of Rule 22(c)-1(a) promulgated under the Investment Company Act.
  - d. Heartland Advisors cease and desist from committing or causing any violations and any future violations of Sections 206(2) of the Advisers Act.
  - e. Respondent cease and desist from causing any violations and any future violations of Section 206(2) of the Advisers Act.
  - f. Heartland Advisors and Respondent are censured.
3. That Section 8.E(1)(k) of the Act provides, inter alia, that the registration of a salesperson may be revoked if the Secretary of State finds that such a salesperson has had an order entered against it after notice and opportunity for hearing by a securities agency of any state, any foreign government or agency thereof, the Securities and Exchange Commission arising from any fraudulent or deceptive act or a practice in violation of any statute, rule, regulation administered or promulgated by the agency or commission.
4. That Securities and Exchange Commission is an agency as specified in Section 8.E(1)(k) of the Act.
5. That the Respondent's registration as a salesperson in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(k) of the Act.

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WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

The Respondent's registrations as a salesperson in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(k) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he has submitted an Affidavit, which contains certain undertakings that he and Heartland Advisors entered into and shall continue to adhere to upon entry of the Consent Order. Said undertakings are incorporated by reference herein and made a part hereof.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he is not an Illinois Designated Principal; and that his activities regarding marketing and sales to Illinois residents and investors will be supervised by Matt Miner, the head of Heartland Advisors' Trading Desk, who has taken substantial steps and is in the process of becoming a duly authorized Illinois Designated Principal. Said undertakings are incorporated by reference herein and made a part hereof.

WHEREAS, by means of the Stipulations Respondent has acknowledged and agreed that he shall be levied costs incurred during the investigation of this matter in the amount of Two Thousand Five Hundred Dollars (\$2,500.00). 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 Two Thousand Five Hundred Dollars (\$2,500.00) to cover costs incurred during the investigation of this matter. Said check has been made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

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

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

1. The Notice of Hearing dated July 14, 2008 is dismissed.
2. The Respondent is levied costs of investigation in this matter in the amount of Two Thousand Five Hundred Dollars (\$2,500.00), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, and on August 25, 2008 has submitted Two Thousand Five Hundred Dollars (\$2,500.00) in payment thereof.
3. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

Entered: This 25<sup>th</sup> day of August, 2008

  
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 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 1360.1123}. 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.

Attorney for the Secretary of State:  
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Illinois Securities Department  
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