

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: PHILLIP M. GRAFF)
_____)

FILE NO. 0700561

CONSENT ORDER OF SUSPENSION

TO THE RESPONDENT: Phillip M. Graff
(CRD#: 2094581)
498 Franklin Lane
Elk Grove Village, Illinois 60007

C/o Peter B. Shaeffer
Attorney At Law
30 North LaSalle Street
Suite 2140 Chicago, Illinois 60602

WHEREAS, Respondent on the 11th day of March 2008 executed a certain Stipulation to Enter Consent Order of Suspension (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 February 19, 2008 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Suspension ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, while neither admitting nor 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 at all relevant times, the Respondent was registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act until December 18, 2007.
2. That on December 18, 2007, the Respondent's employment as a salesperson was terminated by Princorp Financial Services Corporation, a registered dealer in the State of Illinois.

3. That the Respondent failed to file an amendment to his U-4 Form to reflect this termination.
4. That Section 8.C(8) of the Act provides, inter alia, that Any change which renders no longer accurate any information contained in any application for registration or re-registration as a salesperson shall be reported to the Secretary of State within 10 business days after the occurrence of such change.
5. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
6. That Section 8.E(1)(g) of the Act provides that the registration of a salesperson may be revoked or suspended if he has violated any of the provisions of this Act.
7. That Section 8.E(3) of the Act provides, inter alia, withdrawal of an application for registration or withdrawal from registration as a salesperson, becomes effective 30 days after receipt of an application to withdraw or within such shorter period of time as the Secretary of State may determine. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the Secretary of State may nevertheless institute an revocation or suspension proceeding within 2 years after withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.

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 a salesperson in the State of Illinois is subject to revocation or suspension pursuant to Section 8.E(1)(g) and Section 8.E(3) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that his registration as a salesperson in the State of Illinois shall be suspended from December 18, 2007 through July 6, 2008.

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 One Thousand Five Hundred dollars (\$1,500.00). 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.

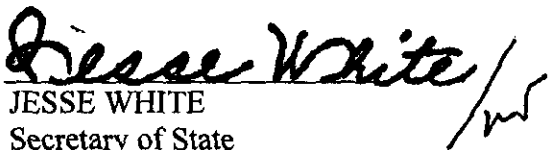
WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he has submitted with the Stipulation a certified or cashier's check in the amount of One Thousand Five Hundred dollars (\$1,500.00) to cover costs incurred during the investigation of this matter. Said check has been made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

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's registration as a salesperson in the State of Illinois shall be suspended from December 18, 2007 through July 6, 2008.
2. The Respondent is levied costs of investigation in this matter in the amount of One Thousand Five Hundred dollars (\$1,500.00), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, and on March 13, 2008 has submitted One Thousand Five Hundred dollars (\$1,500.00) in payment thereof.
3. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED This 14th day of MARCH 2008.


JESSE WHITE
Secretary of State
State of Illinois

Daniel Tunick
Enforcement Attorney
Illinois Secretary of State
Department of Securities
69 West Washington, Suite 1220
Chicago, Illinois 60602