

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

_____))
IN THE MATTER OF: DEANE JOSEPH PANTALEO))
_____))

FILE NO. 0700036

NOTICE OF HEARING

TO THE RESPONDENT: Deane Joseph Pantaleo
(CRD#: 4336722)
2004 Black Swan Court
Darien, Illinois 60561

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 18th day of April, 2007 at the hour of 10:00 a.m. or as soon as possible thereafter, before George Berbas 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 revoking Deane Joseph Pantaleo's (the "Respondent ") registration as a salesperson and investment advisor representative 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 8.E(1)(j) 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 at all relevant times, the Respondent was registered with the Illinois Secretary of State as a salesperson and investment advisor representative in the State of Illinois pursuant to Section 8 of the Act until July 7, 2005.
2. That on November 13, 2006 NASD entered a Letter Of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding File No. 20050022039-01 which sanctioned the Respondent as follows:

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- a. a two year suspension from association with any member of NASD in any and all capacity; and
 - b. fined \$20,000 .
3. That the AWC found:
- a. On June 30, 2005, the Respondent sat for the series 7 (general securities representative) examination at a testing center in Chicago, Illinois. Prior to taking the examination, the Respondent was required to abide by certain NASD Rules of Conduct relating to the examination, and entitled "NASD Rules of Conduct-Prohibition of Study Materials or Assistance." One of the Rules was that the Respondent must not receive (except from the center staff) any form of assistance during the examination/training or restroom breaks. Another Rule was that during the restroom breaks, the Respondent, "must not leave the premises and may only go to the restroom."
 - b. During the examination, the Respondent requested permission to take a restroom break. After taking the restroom break, instead of returning to he testing area, the Respondent left the building where the examination was being conducted, and went to his vehicle, he obtained a book entitled "General Securities Representative Exam License Manuel 16th Edition." After obtaining this book, the Respondent returned to the building where the examination was being conducted. Examination staff found the Respondent in a hallway, immediately after he reentered the building, carrying the book entitled "General Securities Representative Exam License Manuel 16th Edition." After the examination staff questioned the Respondent, the examination staff took the book entitled "General Securities Representative Exam License Manuel 16th Edition."
 - c. Such acts, practice and conduct set forth above constitute separate and distinct violations of NASD Conduct Rule 2110 by the Respondent.
4. That Section 8.E(1)(j) of the Act provides, *inter alia*, that the registration of a salesperson and investment advisor representative may be revoked if the Secretary of State finds that such salesperson and investment advisor representative 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 NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
6. That Section 8.E (3) of the Act provides inter alia, withdrawal of an application for registration or withdrawal from registration as a salesperson or investment advisor representative, becomes effective thirty (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 a revocation or suspension proceeding** within 2 years after withdrawal become effective and enter a revocation or suspension order as of the last date on which registration was effective.
7. That by virtue of the foregoing, the Respondent's registration as a salesperson and as an investment advisor representative in the State of Illinois is subject to revocation pursuant to Sections 8.E(1)(j) and 8.E (3) of the Act.

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.

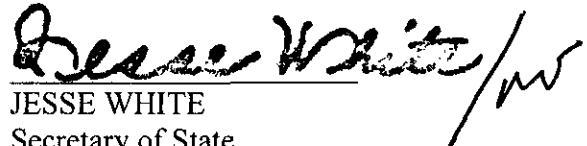
A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

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

Dated: This 26th day of February 2007.


JESSE WHITE
Secretary of State
State of Illinois

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Hearing Officer:
George Berbas
Chicago, Illinois