

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: BLAKE J. SHANAPHY)
_____)

FILE NO. 0600094

AMENDED NOTICE OF HEARING

TO THE RESPONDENT: Blake J. Shanaphy (CRD#: 3002887)
114th Street, Apartment 411
Hoboken, New Jersey 07030

C/o Essex & York, Inc.
40 Wall Street
33rd Floor
New York, New York 10005

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 10th day of January, 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 Blake J. Shanaphy's (the "Respondent") registration as a salesperson 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 11.E(4) 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 Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act.
2. That on January 17, 2006 NASD entered Order Accepting Offer of Settlement submitted by the Respondent regarding Disciplinary

Proceeding No. CMS 040165 (Order) which sanctioned the Respondent as follows: a. censured; b. fined \$5,000; c. Suspended from associating with any member of this Association in any capacity for 45 calendar days; and d. Permanently barred from participating in, directly or indirectly, any public offering or transaction involving a penny stock, as that term is defined under the Securities Exchange Act of 1934.

3. That the Order found: The Respondent, while employed as a salesperson at Park Capital Securities, and while acting as a member of a sales group ("sales group"), employed classic, boiler-room techniques to induce customers to purchase shares of Cordia Corporation ("Cordia").

The Respondent served as an account-opener for the sales group, opening new accounts by recommending relatively safe, non-volatile stocks. After the initial purchases in the accounts, the Respondent ceded control of his accounts to the group's leader, who then contacted the customers to recommend the purchase of other speculative stocks, including Cordia Corporation.

Each member of the sales group agreed upon, and entered into an unwritten partnership agreement, to share all customers and commissions equally. Pursuant to the agreement, all members shared customer accounts and commissions derived there from, regardless of which group members' name appeared on the customer account records and regardless of which group member communicated with the customer. Members of the group solicited each other's customers, wrote order tickets for other members of the group, and fielded telephone calls and complaints for each other. By design, the sharing of accounts was intended to confuse customers and obscure liability for individual group members.

As part of the scheme, members of the sales group engaged in fraudulent misrepresentations and omissions to induce purchases or to discourage sales of Cordia. Group members routinely predicted the stock would shortly increase in price. They engaged in unauthorized trading, as well as other deceptive practices, including buying more than the customer authorized or insisting that the customer pay for an unauthorized trade before selling the stock.

Each member of the sales group, including The Respondent, knowingly or recklessly provided substantial assistance to other members of the group engaged in the same or similar misconduct, in furtherance of the scheme. The Respondent, by knowingly ceding control of his customer accounts to more senior group members while at the same time continuing to share equally in the commissions derived from the group's fraudulent sale practices, abdicated his duty and obligations to his customers.

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In addition, the Respondent, acting individually and as a member of the sales group:

Failed to furnish customers, prior to effecting transactions in Cordia in customer Accounts, a risk disclosure document containing the information required by the penny stock rules;

Failed to obtain from customers, prior to effecting customer transactions in Cordia, a manually-signed and dated written statement acknowledging receipt of such risk disclosure document;

Failed to disclose to customers, either orally or in writing, prior to effecting customer transactions in Cordia, the inside bid and offer quotations for Cordia and failed to provide the same in writing at or prior to the time of any written confirmation sent to the customer pursuant to SEC Rule 10b-10; and

Failed to keep and preserve records of such disclosures as required by the penny stock rules.

Based on the foregoing, the Respondent violated Sections 10(b) and 15(g) of the Securities Exchange Act of 1934 and Rules 10b-5, 15g-2, 15g-3 and 15g-9 there under, and NASD Conduct Rules 2110 and 2120.

4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be revoked 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 NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
6. That by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(j) 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.

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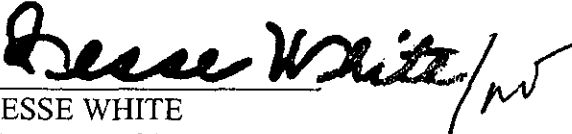
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Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

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.

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

Dated: This 6th day of November 2006.


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
Daniel A. Tunick
Office of the Secretary of State
Illinois Securities Department
69 West Washington Street, Suite 1220
Chicago, Illinois 60602
Telephone: (312) 793-3384

Hearing Officer:
George Berbas
180 North LaSalle Street
Suite 1916
Chicago, Illinois 60601