

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: NARIMAN JALAYER

FILE NO. 0500540

NOTICE OF HEARING

TO THE RESPONDENT: Nariman Jalayer
68 Penn Street
PT Jefferson, New York 11776

C/O Granite Associates, Inc.
445 Broadhollow Road
Melville, New York 11747

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 13th day of March, 2006 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 Nariman Jalayer'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 September 15th, 2005 NASD entered a Letter Of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding

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Complaint #E1020031861-01 which sanctioned the Respondent as follows:

- a. A fine of \$7,500.00
 - b. A suspension from associating with any member firm in any and all capacities for a period of fifteen (15) business days.
3. That the AWC found that the Respondent:
- a. On or about April 11th, 2002, opened an account at Ladenburg Capital Management, Inc. ("LCM"), in the name of customer JDB, without JDB's prior knowledge, authorization or consent. Thereafter, on or about April 12th, 2002, Respondent effected two transactions in customer JDB's account, specifically, the purchase of 250 shares of USON stock and 250 shares of MIEC stock, without JDB's prior knowledge, authorization or consent. By reason of the foregoing, Respondent violated NASD Conduct Rule 2110.
 - b. On or about June 14th, 2002, effected a transaction in customer JS and TS's joint LCM account, specifically, the purchase of 100 shares of PBTM stock, without JS or TS's prior knowledge, authorization or consent. By reason of the foregoing, Respondent violated NASD Conduct Rule 2110
4. That NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
5. 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.

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.

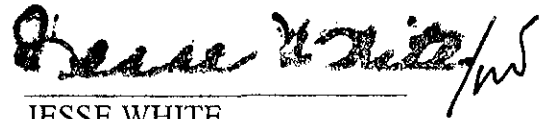
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A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

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

DATED: This 19th day of January 2006.

A handwritten signature in black ink, appearing to read "Jesse White" with a stylized flourish at the end.

JESSE WHITE
Secretary of State
State of Illinois

Attorneys for the Secretary of State:

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Hearing Officer:

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