

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

\_\_\_\_\_  
IN THE MATTER OF: RICHARD HENNION )  
\_\_\_\_\_) )

FILE NO. 0500147

**NOTICE OF HEARING**

**TO THE RESPONDENT:** Richard Hennion  
56 Mountainwood Ct.  
Totowa, New Jersey 07512

C/O Hennion & Walsh, Inc.  
2001 Route 46  
Waterview Plaza  
Parsippany, New Jersey 07054

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 Richard Hennion'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.

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2. That on January 10th, 2005, NASD entered a decision from a hearing regarding Complaint #C9B040013, which sanctioned the Respondent as follows:
  - a. A fine of \$35,000.00
  - b. A suspension in all capacities for four (4) months.
3. That the NASD found that the Respondent:
  - a. Made unsuitable recommendations to a customer, in violation of Rules 2310, 2510(a) and 2110, and exercised discretion in the customer's account without written authorization, in violation of Rules 2510(b) and 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.

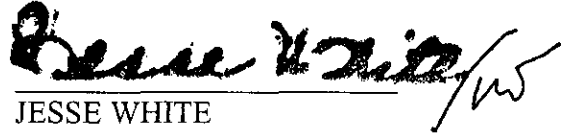
A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

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

DATED: This 19<sup>th</sup> day of January 2006.

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

JESSE WHITE  
Secretary of State  
State of Illinois

Attorneys for the Secretary of State:  
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Illinois Securities Department  
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Hearing Officer:  
George Berbas  
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Suite 1800  
Chicago, Illinois 60601  
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