

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF Thomas E. Grimm

FILE NO. 0600005

NOTICE OF HEARING

**TO THE RESPONDENT:** Thomas E Grimm  
9 Cedar Point Drive  
West Islip, New York 11795

C/O First Midwest Securities, Inc  
207 West Jefferson Street, Suite 102  
Bloomington, IL 61701

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 5th day of April, 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 Thomas Grimm'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 November 29<sup>th</sup>, 2005 NASD entered a Letter Of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding Complaint # 2005001069901 which sanctioned the Respondent as follows
  - a A fine of \$5,000.00
  - b A suspension from associating with any member firm in any and all capacities for a period of sixty (60) calendar days
- 3 That the AWC found that the Respondent,
  - a After a telephone conversation with GunnAllen customer GB on March 23, 2005, and while registered with NASD as a GSR through First Midwest altered the date on a previously signed brokerage account transfer ("ACAT") form which he had on file for GB in order to effect a transfer of GB's account from GunAllen, the Respondent's former employer firm, to Midwest, the Respondent's new employer firm. Although the Respondent claims that he was given authorization by GB to effect the ACAT form alteration and account transfer on his behalf, GB claims that he never provided such authorization. By reason of the foregoing, the 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 6<sup>th</sup> day of February 2006.



JESSE WHITE  
Secretary of State  
State of Illinois

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