

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

IN THE MATTER OF: Robert David Smith)
_____)

FILE NO. 1300185

NOTICE OF HEARING

TO THE RESPONDENT:

Robert David Smith
CRD# 5009835
635 W. 42nd St. Apt 2E
New York, NY 10036

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 July, 2013 at the hour of 10:00 a.m. or as soon as possible thereafter, before James Kopecky 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 Robert David Smith (the "Respondent") registration as an 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 Salesperson in the State of Illinois pursuant to Section 8 of the Act.

Notice of Hearing

2

2. That on April 9, 2013 FINRA entered Order of Offer of Settlement (“AWC” or “Order”) submitted by the Respondent regarding Disciplinary Proceeding No. 2011029740301 which sanctioned the Respondent as follows:
 - a) Permanently barred from any association with any FINRA member in any capacity.
3. IN VIOLATION OF FINRA RULE 2010: SMITH MISAPPROPRIATED OVER \$12,600 FROM HIS MEMBER FIRM BY SUBMITTING 19 FALSE TRAVEL AND EXPENSE REPORTS WERE FALSE AND MISLEADING BECAUSE NONE OF THE CLIENTS LISTED BY SMITH ATTENDED THE EVENTS AND, ON NUMERIOUS OCCASIONS, THE ONLY ATTENDEES WERE THE FIRM’S EMPLOYEES, NOT CLIENTS. BY SUBMITTING THE FALST EXPENSE REPORTS, SMITH INDUVED HIS FIRM TO PAY THESE EXPENSES, SMITH REIMBURSED \$12,600 TO THE FIRM, BY INTENTIONALLY SUBMITTING FALSE AND MISLEADING EXPENSE REPORTS, SMITH CAUSED THE BOOKS AND RECORDS PRESERVED BY HIS FIRM TO BE INACCURATE.
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 FINRA 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.

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.

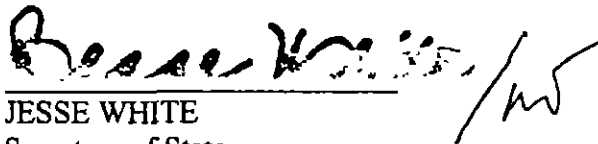
Notice of Hearing

3

A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, can be found at .

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

Dated: This 20th day of May 2013.



JESSE WHITE
Secretary of State
State of Illinois

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

Hearing Officer
James Kopecky