

Notice of Hearing

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- a. one-year suspension from association with any member of NASD in any capacity; and
 - b. fined \$7,500.00.
3. That the AWC found:
- a. On or about January 18, 2002, the Respondent purchased or caused the purchase of 100 shares of Heartland Express, Inc., a new issue, for the account of JS, a member of the public, without the knowledge or consent of JS and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
 - b. On or about January 18, 2002, the Respondent sold or caused the sale of 100 shares of Heartland Express, Inc. for the account of JS, without the knowledge or consent of JS and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
 - c. On May 3, 2002, the Respondent purchased of 2,000 shares of Knowledge Foundation, a bulletin board stock, in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
 - d. On May 7, 2002, the Respondent purchased or caused the purchase of 500 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
 - e. On May 17, 2002, the Respondent purchased or caused the purchase of 1,000 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
 - f. On May 21, 2002, the Respondent purchased or caused the purchase of 500 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of

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written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.

- g. On May 29, 2002, the Respondent purchased or caused the purchase of 1,000 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
 - h. On May 30, 2002, the Respondent purchased or caused the purchase of 2,000 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
 - i. On May 31, 2002, the Respondent purchased or caused the purchase of 1,000 shares of Knowledge Foundation in the account of JS without the knowledge or consent of JS, and in the absence of written or oral authorization to the Respondent to exercise discretion in said account, in violation of NASD Rule 2110 by the Respondent.
- 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 Section 8.E(3) of the Act provides inter alia, withdrawal of an application for registration or withdrawal from registration as a salesperson, becomes effective 30 days after receipt of an application to withdraw or within such a shorter period of time as the Secretary of State may determine. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the Secretary of State may nevertheless institute a revocation or suspension proceeding within 2 years after

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withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.

7. That by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to revocation, effective August 11, 2004, pursuant to Section 8.E(1)(j) of the Act.

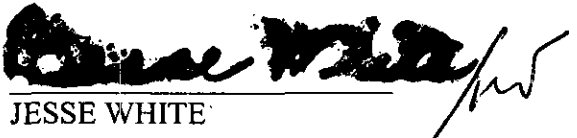
You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this notice. A failure to file an answer within the prescribed 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.

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

DATED: This 21st day of January 2005.



JESSE WHITE
Secretary of State
State of Illinois

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Attorney for the Secretary of State:

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Illinois Securities Department

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