

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: BARRY CHASKES

FILE NO. 0300185

NOTICE OF HEARING

TO THE RESPONDENT:

Barry Chaskes  
(CRD#: 2228700)  
229 Rues Lane  
East Brunswick, New Jersey 08816

c/o Maxim Group LLC  
99 Sunnyside Boulevard  
Woodbury, New York 11797

C/o Valentino Vasi  
Attorney at Law  
Carter Ledyard & Milburn LLP  
2 Wall Street 13<sup>th</sup> Floor  
New York, New York 10005-2001

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 17<sup>th</sup> day of September, 2003, at the hour of 10:00 a.m., or as soon as possible thereafter, before Soula J. Syropoulos, 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 which would deny Barry Chaskes' (the "Respondent"), registration as 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 of the Act, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows:

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1. That on April 14, 2003, Maxim Group LLC., a registered dealer, filed a Form U-4 application for registration of the Respondent as a salesperson in the State of Illinois.
2. That on June 13, 2003, a Summary Order of Denial (the "Order") was issued by the Secretary of State denying this application. Pursuant to the terms of the Order the Respondent requested a hearing on July 22, 2003.
3. That on March 26, 2003, NASD entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding File No. C9BO30018 which imposed the following sanctions:
  - a. Suspension from association with any member firm in any capacity for ten (10) business days; and
  - b. Fined \$5,000, which includes disgorgement of commissions of approximately \$700.
4. That the AWC found that between on or about May 5, 1999 and on or about June 23, 1999, the Respondent effected unauthorized trades in the account of customer V.G. As a result of this conduct, he violated NASD Conduct Rule 2110.
5. That Section 8.E (1)(j) of the Act provides, *inter alia*, that the registration of a salesperson may be denied 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.
6. That NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
7. That by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to denial 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.

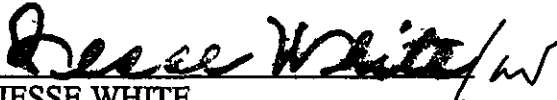
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A copy of the Rules, promulgated under the Act and pertaining to Hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

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

ENTERED: This 30<sup>th</sup> day of July, 2003.

  
JESSE WHITE  
Secretary of State  
State of Illinois

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Illinois Securities Department  
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Hearing Officer:  
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6348 N. Cicero Ave  
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