

- 1-3. The Department re-alleges and incorporates paragraphs 1 through 3 of the Notice of Hearing as if fully set forth herein in Count Two, the Amended Notice of Hearing.
4. FINRA (the Financial Industry Regulatory Authority) is a private, non-governmental organization that is registered with the United States Securities and Exchange Commission ("SEC") as a self-regulatory organization pursuant to the Securities Exchange Act of 1934.
5. At all times relevant hereto, Respondent was FINRA-registered and a salesperson and an investment adviser representative with LPL Financial, LLC ("LPL"), a FINRA-registered firm.
6. On January 29, 2014, FINRA entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by Respondent regarding File No. 2013039053601, which imposed the following sanctions upon Respondent:
 - a. Respondent is permanently barred from associating with any FINRA member firm in any capacity.
 - b. Respondent becomes subject to a statutory disqualification as that term is defined in Article II, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, Respondent may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, while permanently barred (See FINRA Rules 8310 and 8311)
7. The FINRA bar and related sanctions imposed shall be effective as of January 29, 2014, the date of FINRA's acceptance of the AWC, pursuant to FINRA Rule 8313(e).

FACTS AND VIOLATIVE CONDUCT

8. By signing the AWC, Respondent *accepted and consented to FINRA's findings of fact without admitting or denying the findings*:
 - a. On November 20, 2013, during the course of an investigation into allegations that Lisnek converted customer funds, brokered a transaction between customers without the Firm's knowledge and failed to disclose three federal tax liens, FINRA sent a letter (the "November 20th Letter") to Lisnek, pursuant to FINRA Rule 8210, requiring him to provide a written statement on or before December 4, 2013.
 - b. On November 26, 2013, Lisnek, via electronic mail, provided a partial response (the "November 26th Response") to FINRA's November 20th Letter. The November 26th Response only addressed the allegations relating to the disclosure of tax liens and failed to provide a complete response as to the other allegations before the December 4, 2013 due date.

- c. On December 20, 2013, Enforcement staff sent another letter to Lisnek, pursuant to FINRA Rule 8210 (the “December 20th Letter”), requiring him to provide a written statement responding to all of the allegations detailed in the November 20th Letter, on or before January 2, 2014.
 - d. Respondent failed to produce the information requested in the November 20th Letter and the December 20th Letter as required, pursuant to FINRA Rule 8210.
 - e. FINRA Rule 8210 authorizes FINRA, in the course of its investigations, to require persons associated with a FINRA member to “provide information orally, in writing, or electronically...with respect to any matter involved in the investigations.”
 - f. In addition, FINRA Rule 2010 provides that “[a] member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.”
 - g. By failing to produce the information requested by the November 20th Letter and the December 20th Letter, Lisnek violated FINRA Rule 8210 and FINRA Rule 2010.
9. FINRA noted in the AWC that Respondent had “no prior relevant disciplinary history.”
10. Upon accepting and submitting the FINRA AWC, Respondent specifically accepted that
 - a. “This AWC will become part of Respondent’s permanent disciplinary record and may be considered in any future actions by *FINRA or any other regulator against [him]*” (emphasis added);
 - b. “This AWC will be made available through FINRA’s public disclosure program in response to public inquiries about [his] disciplinary record;”
 - c. “FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313;” and
 - d. “[Respondent] may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this [FINRA] AWC or create the impression that the AWC is without factual basis. [Respondent] may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects [Respondent’s]: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.”

11. Section 8.E.1(j) of the Act provides, *inter alia*, that the registration of a salesperson may be suspended or revoked if the Secretary of State finds that such salesperson has had membership in or association with any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act suspended, revoked, refused, expelled, cancelled, barred, limited in any capacity, or otherwise adversely affected in a similar manner 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.
12. Section 11 of the Act provides, *inter alia*, that the Secretary of State may suspend or revoke the registration of a salesperson after an opportunity for hearing upon not less than 10 days notice given by personal service or registered mail or certified mail, return receipt requested, to the person or persons concerned.
13. By virtue of the foregoing, Respondent has violated Section 8.E.1(j) of the Act and is subject to an order which revokes Respondent's registration as an investment adviser representative and a salesperson of securities in the State of Illinois, pursuant to Sections 8.E.1(j) and 11 of the Act.
14. Pursuant to Section 8.E.3 of the Act, if a proceeding is pending or instituted, withdrawal of an application becomes effective at such time and upon such conditions as the Secretary of State by order determines. 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 withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.
15. That Section 11.E.4 of the Act provides, inter alia, that the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000 for each violation of the Act, may issue an order of public censure against the violator, and may charge as costs of investigation all reasonable expenses, including attorney's fees and witness fees.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130.100 et seq.) (the "Rules") to file an answer to the allegations outlined above within ten (10) days after service of the Amended Notice of Hearing. A failure to do so within the prescribed time shall be deemed an admission of the allegations contained in the Amended Notice of Hearing and waives your right to a hearing.

You may be represented by legal counsel, present evidence, cross-examine witnesses and otherwise participate. However, a failure to appear shall constitute default.

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

ENTERED: This 21ⁿ day of March, 2014



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