

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF:    MARK D. FAULDS, CRD # 1893621

) File No. 1600938  
)

NOTICE OF HEARING

TO THE RESPONDENT:    Mark D. Faulds  
Cambridge Investment Research, Inc. and  
Lawing Financial Inc.  
15255 S. 94th Ave.  
Suite #500  
Orland Park, IL 60462

CC: Thomas J. Anderson, CCO  
Cambridge Investment Research, Inc.  
1776 Pleasant Plain Rd.  
Fairfield, IA 52556

CC: Anthony Woodard, CCO  
Lawing Financial Inc.  
6201 College Blvd., 7<sup>th</sup> Fl.  
Overland Park, KS 66211

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5/1 *et seq.*] (the "Act") and Subpart K of the Rules and Regulations Under the Illinois Securities Law of 1953 [14 Ill. Adm. Code 130 *et seq.*] (the "Rules") a public hearing will be held at 421 East Capitol Avenue, 2<sup>nd</sup> Floor, Springfield, Illinois 62701, on the 15<sup>th</sup> day of March, 2017 at the hour of 10:00 a.m. or as soon thereafter as counsel may be heard, before Abby Sgro or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order should be entered suspending the registration of Mark D. Faulds (the "Respondent") as an investment adviser representative and salesperson in the State of Illinois and whether to grant such other relief as may be authorized under the Act, including, but not limited to, imposition of a monetary fine, 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:

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1. At all relevant times, the Respondent was registered with the Secretary of State as an investment adviser representative and salesperson in the State of Illinois pursuant to Section 8 of the Act.
2. Respondent is currently a salesperson at Cambridge Investment Research, Inc. and an investment adviser representative at Lawing Financial Inc.
3. Cambridge Investment Research is registered as a dealer and Lawing Financial is registered as an investment adviser in the State of Illinois pursuant to Section 8 of the Act.
4. On or about September 6, 2016, the Illinois Department of Revenue sent a Collection Action Notice of Intent letter to Respondent's home address. The letter advised that, if the Respondent did not resolve his debt owed to the Department of Revenue, his investment adviser representative and salesperson license would be suspended and provided contact information for the Department of Revenue.
5. On or about January 3, 2017, the Office of the Secretary of State, Illinois Securities Department sent a letter to the Respondent via certified mail notifying the Respondent that he had failed to effectively respond to the Department of Revenue and warning of the possible negative effect on his registration. Respondent was required to explain the situation, and Respondent's efforts to resolve it, in a notarized affidavit to the Securities Department within 10 business days of the date on which the letter was delivered.
6. The letter cited Section 8.E(1)(o) of the Act, which provides, *inter alia*, that the registration of a salesperson or investment adviser representative may be denied, suspended or revoked if the Secretary of State finds that such salesperson or investment adviser representative has failed to file a return, or to pay the tax, penalty or interest shown in a filed return, or to pay any final assessment of tax, penalty or interest, as required by any Act administered by the Illinois Department of Revenue, until such time as the requirements of that Act are satisfied.
7. On January 9, 2017, the certified letter was delivered to Respondent's address.
8. On January 25, 2017, the Securities Department contacted Cambridge Investment Research and Lawing Financial, informing the firms that Respondent had failed to respond to the Securities Department letter within 10 business days of receipt of the certified letter and warning that enforcement action would be taken if his affidavit was not delivered to the Department by January 31, 2017.
9. As of the issuance of this Notice of Hearing, the Respondent has failed to provide the affidavit.

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10. Section 11.C of the Act provides, *inter alia*, that whenever it shall appear to the Secretary of State that the Act, or any rule or regulation prescribed under authority thereof, has been or is about to be violated, he may, in his discretion, require or permit the person to file with the Secretary of State a statement in writing under oath, or otherwise, as to all the facts and circumstances concerning the subject matter which the Secretary of State believes to be in the public interest to investigate, audit, examine, or inspect.
11. Section 11.D(1) of the Act provides, *inter alia*, that for the purpose of all investigations, audits, examinations, or inspections which in the opinion of the Secretary of State are necessary and proper for the enforcement of the Act, the Secretary of State or a person designated by him is empowered to administer oaths and affirmations, subpoena witnesses, take evidence, and require, by subpoena or other lawful means provided by this Act or the rules adopted by the Secretary of State, the production of any books and records, papers, or other documents which the Secretary of State or a person designated by him deems relevant or material to the inquiry.
12. Section 12.D of the Act provides, *inter alia*, that it shall be a violation of the provisions of the Act for any person to fail to file with the Secretary of State any application, report, or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
13. By virtue of the foregoing, the Respondent has committed a violation of Section 12.D of the Act.
14. Section 8.E(1)(g) of the Act provides, *inter alia*, that the registration of a salesperson or investment adviser representative may be suspended or revoked if the salesperson or investment adviser representative has violated any of the provisions of this Act.
15. 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 issue an order of censure, charge costs of investigation, and impose a fine not to exceed \$10,000 for each violation of the Act.
16. Section 11.F(1) of the Act provides, *inter alia*, that the Secretary of State may suspend or revoke the registration of a salesperson or investment adviser representative and impose a fine for violation of the Act 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.

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17. By virtue of the foregoing, the Respondent is subject to a fine, an order of censure, and an order that suspends his registration in the State of Illinois pursuant to Sections 8 and 11 of the Act.

You are further notified that you are required pursuant to Section 130.1104 of the Code to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to do so within the prescribed time shall be deemed an admission of the allegations contained in the 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 Notice to the designated representative of the Respondent constitutes service upon such Respondent.

ENTERED: This 31<sup>st</sup> day of January, 2017.

  
JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:

Shannon Bond  
Illinois Securities Department  
421 E. Capitol Ave., 2<sup>nd</sup> Fl.  
Springfield, IL 62701  
Telephone: (217) 524-0648

Hearing Officer:

Abby Sgro