

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

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IN THE MATTER OF: J. E. LISS & COMPANY, INC. )  
D/B/A LISS FINANCIAL SERVICES, INC. and )  
JEROME E. LISS )  
\_\_\_\_\_ )

File No: 0100445

**CONSENT ORDER OF CENSURE**

TO THE RESPONDENTS:

J. E. Liss & Company, Inc.  
D/B/A Liss Financial Services, Inc.  
424 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

Jerome E. Liss  
(CRD #310709)  
5390 Sandy Beach Lane  
Belgium, Wisconsin 53004

C/o James A. McGurk  
Attorney at Law  
140 South Dearborn Street  
Suite 411  
Chicago, Illinois 60603-5298

WHEREAS, Respondents on the 3<sup>rd</sup> day of January, 2003 executed a certain Stipulation to Enter Consent Order of Censure ("Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondents have admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department, dated August 2, 2002, in this proceeding (the "Notice") and Respondents have consented to the entry of this Consent Order of Censure ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondents acknowledged, while neither admitting nor denying the truth thereof, that the following allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

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1. That at all relevant times, Respondent Liss Financial was registered with the Secretary of State as a dealer in the State of Illinois pursuant to Section 8 of the Act.
2. That at all relevant times, Respondent Liss was registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act. Further, this Respondent is the President and Illinois registered Principal of Respondent Liss Financial.
3. That Mary Ann Redding f/k/a Mary Ann Liebsohn is a natural person and is a resident of the State of Illinois. During all times relevant, Redding maintained a trading account with Respondent Liss Financial.
4. That John B. Brown, (CRD #1399761) is a natural person and during all times relevant, was employed by Respondent Liss Financial to offer and sell securities to the general public. Brown did not become registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act until December 15, 1999.
5. That between February, 1998 and December, 1999, Brown acting on behalf of Respondent Liss Financial acted as the account representative for Redding's account. During this period, Brown effected approximately 33 purchases totaling \$276,206.87 and approximately 49 sales totaling \$392,708.60 in said account.
6. That during all times relevant hereto, Brown was not registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act.
7. That Section 8.E (1)(e)(ii) of the Act provides, inter alia, that the registration of a dealer may be revoked if the Secretary of State finds that such dealer has offered or sold securities in this State through a salesperson other than a registered salesperson.
8. That Section 12.C of the Act, provides, inter alia, that it is a violation to act as a salesperson unless registered as such where such registration is required under the provisions of this Act.
9. That Section 8.E (1)(e)(i) of the Act provides, inter alia, that the registration of a salesperson or registered principal of a dealer may be revoked if he has failed to reasonably supervise the securities activities of any of it's salespersons and the failure has permitted or facilitated a violation of Section 12 of this Act.

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WHEREAS, by means of the Stipulation the Respondents have acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusions of Law:

- 1) That by virtue of the foregoing, Respondent Liss Financial's registration as a dealer in the State of Illinois is subject to revocation pursuant to section 8.E(1)(e)(ii) of the Act.
- 2) That by virtue of the foregoing, Respondent Liss' registration as a dealer in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(e)(i) of the Act.

WHEREAS, by means of the Stipulation Respondents have acknowledged and agreed that:

1. They shall be censured; and
2. Respondent Liss shall pay the sum of Five Hundred dollars (\$500.00) to the Office of the Secretary of State, Investors Education Fund as reimbursement to cover the cost of investigation of this matter. Said sum shall be payable by means of certified or cashiers check and made to the order of the Office of the Secretary of State, Investors Education Fund and shall be due within thirty (30) days from the entry of this Consent Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED:

1. That J.E. Liss & Company, Inc. d/b/a Liss Financial Services, Inc. shall be censured.
2. That Jerome E. Liss shall be censured.
3. That Jerome E. Liss shall pay the sum of Five Hundred dollars (\$500.00) to the Office of the Secretary of State, Investors Education Fund as reimbursement to cover the cost of investigation of this matter. Said sum shall be payable by means of certified or cashiers check and made to the order of the Office of the Secretary of State, Investors Education Fund and shall be due within thirty (30) days from the entry of this Consent Order.

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4. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 22nd day of January, 2003.

A handwritten signature in black ink that reads "Jesse White" followed by a stylized flourish that looks like "aw".

Jesse White  
Secretary of State  
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.