

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

**IN THE MATTER OF: JANNEY MONTGOMERY
SCOTT LLC.**

FILE NO. 0300927

NOTICE OF HEARING

TO THE RESPONDENT: Janney Montgomery Scott LLC
(BD #: 463)
1801 Market Street
Philadelphia, Pennsylvania 19103-1675

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 17 North State Street, Suite 1266, Chicago, Illinois 60602, on the 23rd day of June, 2004 at the hour of 10:00 a.m. or as soon as possible thereafter, before Soula J. Spyropoulos 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 revoking Janney Montgomery Scott LLC's (the "Respondent") registration as a dealer 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(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:

1. That at all relevant times, the Respondent was registered with the Secretary of State as a dealer in the State of Illinois pursuant to Section 8 of the Act.
2. That Albert Copperstone is a natural person and during all times relevant was employed by the Respondent to offer and sell securities to the general public.

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3. That Thomas Lagana is a natural person and during all times relevant was employed by the Respondent to offer and sell securities to the general public.
4. That both Copperstone and Lagana were registered with the Secretary of State as salespeople in the State of Illinois pursuant to Section 8 of the Act until December 31, 2001.
5. That between January 1, 2002 and October 8, 2003, 360 trades were effected by Copperstone with Illinois clients. The gross commissions for these transactions were \$65,156.
6. That between January 1, 2002 and October 17, 2003 9 trades were effected by Lagana with Illinois Clients. The gross commissions for these transactions were \$690.00.
7. That during all times relevant, Copperstone and Lagana were not registered with the Secretary of State as salespersons in the State of Illinois pursuant to Section 8 of the Act.
8. 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.
9. That by virtue of the foregoing, the Respondent'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.

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.

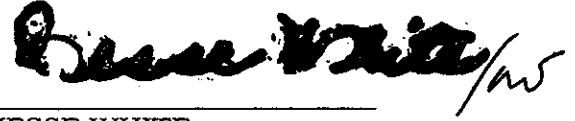
A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

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

Dated: This 7th day of May 2004.

A handwritten signature in black ink, appearing to read "Jesse White" with a stylized flourish at the end.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
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Hearing Officer:
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