

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

**IN THE MATTER OF: JAMES E. BEY**

**FILE NO. 0500050**

**NOTICE OF HEARING**

TO THE RESPONDENT: James E. Bey  
(CRD #: 1933696)  
19 S. Huffman Street  
Naperville, Illinois 60540

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14Ill. Adm. Code 130, Subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 25<sup>th</sup> day of May, 2005 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 James E. Bey's (the "Respondent") registration as a salesperson and as an investment advisor representative 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 salesperson and as an investment advisor representative in the State of Illinois pursuant to Section 8 of the Act, until February 2, 2005.
2. That on January 6, 2005, NASD entered a Letter Of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding FILE NO. C8A050002 which imposed the following sanctions:

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- a. four-month suspension from association with any NASD member firm in any capacity; and
  - b. fined \$5,000.
3. That the AWC found:
- {Forgery NASD Conduct Rule 2110}**
- a. On June 26, 2003, the Respondent submitted a falsified request to reinstate a life insurance policy for customer N.E. The Respondent forged customer N.E.'s signature on this reinstatement request. He also forged customer N.E.'s signature on a non-medical questionnaire that was submitted with the reinstatement request. In addition, he forged customer N.E.'s signature on the money order that was purchased to pay the premium.
  - b. Such acts, practices and conduct constitute separate and distinct violations of NASD Conduct Rule 2110 by the Respondent.
4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson and investment advisor representative may be revoked if the Secretary of State finds that such salesperson and investment advisor representative 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.
5. That NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
6. That Section 8.E (3) of the Act provides, inter alia, withdrawal of an application for registration or withdrawal from registration as a salesperson or investment advisor representative, becomes effective 30 days after receipt of an application to withdraw or within such shorter period of time as the Secretary of State may determine. 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.

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7. That by virtue of the foregoing, the Respondent's registration as a salesperson and as an investment advisor representative in the State of Illinois is subject to revocation, effective February 2, 2005, pursuant to Section 8.E(1)(j) of the Act.

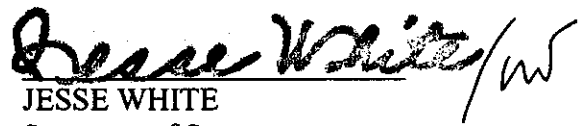
You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file and answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

Furthermore, you may be requested 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.

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

DATED: This 6<sup>th</sup> day of April 2005.

  
JESSE WHITE  
Secretary of State  
State of Illinois

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