

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

**IN THE MATTER OF: ROBERT A. CASSINO**

**FILE NO. 0400396**

**NOTICE OF HEARING**

TO THE RESPONDENT: Robert A. Cassino  
(CRD#: 2291855)  
22 Willow Road  
Miller Place, New York 11764

C/o Milestone Financial Services, Inc.  
476 Third Street  
Oakland, California 94607

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 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 16<sup>th</sup> day of March, 2005 at the hour of 10:00 a.m. or as soon as possible thereafter, before James G. Athas, 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 Robert A. Cassino's (the "Respondent") registration as a salesperson 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 in the State of Illinois pursuant to Section 8 of the Act.

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2. That on May 27, 2004 NASD entered a Letter Of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding File no. C3A040029 which sanctioned the Respondent as follows:
  - a. fine of \$75,000 to be paid to EM.;
  - b. Disgorgement of his commissions in partial restitution to customer EM in the total amount of \$139,190, plus interest; and
  - c. suspension from associating with any member in any capacity for 30 days.
3. That the AWC found:

Excessive Trading

From May 26, 2000 through April 9, 2001, the Respondent recommended and caused to be entered and executed 93 purchase and 91 sell transactions in the account of customer EM. The total cost of purchases was approximately \$20,114,609 on equity in the account of approximately \$3,291,265. The trading generated gross commissions of approximately \$428,726.50 of which the Respondent received approximately \$139,190. EM paid \$4,855 in ticket charges, \$36,502.58 in margin interest, \$1,400 in handling fees, and \$614.76 in SEC Fees. On an annualized basis the trading in EM's account yielded a turnover rate of 73.34 and a cost-equity ratio of 169.62%.

The foregoing conduct constitutes violations of NASD Conduct Rules 2110 and 2310 by the Respondent.

4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be revoked if the Secretary of State finds that such salesperson 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 by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(j) of the Act.

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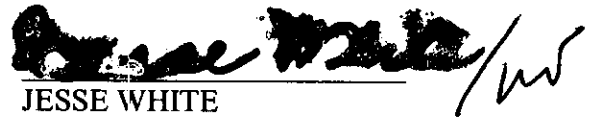
You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file and answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed 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 31<sup>st</sup> day of January 2005.



JESSE WHITE  
Secretary of State  
State of Illinois

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