

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

_____))
IN THE MATTER OF: STRALEM & COMPANY, INC.))
_____))

FILE NO. 0400726

NOTICE OF HEARING

TO THE RESPONDENT: Stralem & Company, Inc.
645 Madison Ave.
New York, New York 10022

C/O Joann Paccione
645 Madison Ave.
New York, New York 10022

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 28th day of March, 2006 at the hour of 10:00 a.m. or as soon as possible thereafter, before George Berbas, 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 which would prohibit Stralem & Company, Inc. (the "Respondent") from engaging in the business of selling or offering for sale securities 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 the Respondent is a corporation, which engages in the business of acting as a dealer in the offer and sale of securities to the general public.
2. That commencing April 11, 2004, until about September 30, 2004, the Respondent effected seventy-seven (77) securities transactions in Account #7Y6-001167 in the name of Illinois resident customer WHF; commencing August 1,

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2004, until about September 30, 2004, the Respondent effected eighty-four (84) securities transactions in Account #7Y6-001191 in the name of Illinois resident customer LFP.

3. That Section 8.A of the Act provides, in pertinent part except as otherwise provided, every dealer shall be registered as such with the Secretary of State.
4. That the activity described in paragraph two (2) above constitutes the activity of a dealer as defined in Section 2.7 of the Act.
5. That at all relevant times, the Respondent was not registered with the Secretary of State as a dealer pursuant to Section 8 of the Act.
6. That Section 12.A of the Act provides, *inter alia*, that it shall be a violation of the provisions of the Act for any person to offer or sell any security except in accordance with the provision of the Act.
7. That Section 12.C of the Act provides, *inter alia*, that it is a violation of the provisions of the Act for any person to act as a dealer, unless registered as such where such registration is required under the provisions of the Act.
8. That by virtue of the foregoing, the Respondent has committed a violation of Sections 12.A and 12.C 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.

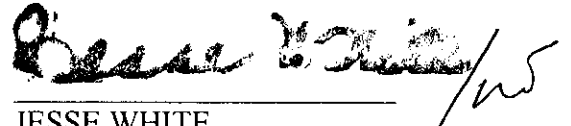
A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

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

DATED: This 26th day of January 2006.

A handwritten signature in black ink, appearing to read "Jesse White", with a horizontal line underneath it. To the right of the signature, there is a handwritten mark that looks like "WJ".

JESSE WHITE
Secretary of State
State of Illinois

Attorneys for the Secretary of State:

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Daniel A. Tunick
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