

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

IN THE MATTER OF: JUSTIN ALBERT CARROLL)
_____)

FILE NO. C0800029

NOTICE OF HEARING

TO THE RESPONDENT: JUSTIN ALBERT CARROLL
(CRD#: 3180028)
607 Doe Creek Terrace
Waterloo, IL 62298

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 11th day of September, 2008 at the hour of 10:00 a.m. or as soon as possible thereafter, before George Berbas, 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 Justin Albert Carroll's (the "Respondent") (CRD#: 3180028) 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 8.E(1)(j) 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 until September 7, 2006.
2. That on August 15, 2008, NASD entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding FILE NO. 2006006077901, which sanctioned the Respondent as follows:
 - a. Barred from association with any FINRA member in any capacity.
3. That the AWC found (in pertinent part):

Notice of Hearing

-2-

- a. In March 2003, Respondent caused the transfer of ownership of two fixed annuities owned by DD, a seventy-five year old customer, to an entity Respondent controlled, without DD's permission, knowledge or consent.
 - b. In April 2003, Respondent caused approximately \$17,000 to be withdrawn from the two above-mentioned annuities, to be deposited into a bank account that Respondent controlled, and then to be removed from that account by a check made payable to Respondent in that same amount.
 - c. In July 2003, Respondent caused approximately \$116,000 to be withdrawn from the two above-mentioned annuities, to be deposited into a bank account that Respondent controlled, and then to be removed from that account by a check made payable to Respondent in the amount of \$18,000.
 - d. Respondent's conduct represents separate and distinct violations of NASD Conduct Rule 2110.
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 Section 8.E(3) of the Act provides inter alia, withdrawal of an application for registration or withdrawal from registration as a salesperson, 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.
 7. That by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to revocation pursuant to Sections 8.E(1)(j) and 8.E(3) of the Act.

Notice of Hearing

-3-

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.

<http://www.cyberdriveillinois.com/departments/securities/lawrules.html>

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

Dated: This 8th day of July 2008.


JESSE WHITE
Secretary of State
State of Illinois

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