



**Jesse White**  
SECRETARY OF STATE

**NEWS**

**ILLINOIS SECRETARY OF STATE**

**FOR IMMEDIATE RELEASE**

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**\$2.25 Million Fund Available to Some Illinois Residents in Securities Settlement**

**CHICAGO** –Some Illinois residents could be entitled to part of a \$2.25 million fund created because of alleged securities abuses by a New York-based brokerage firm, Illinois Secretary of State Jesse White said today.

A multi-state task force of securities regulators, including Illinois, found that sales abuses were allegedly committed by D.H. Blair and reached a settlement with the firm. The company specialized in the sale of high-risk micro-cap stocks.

"I applaud the task force for uncovering these abuses," White said. "These companies need to be fully prosecuted and their victims fully compensated when they violate the law."

The settlement applies to customers who believe they fell victim to the company's practices between Jan. 1, 1996, and June 30, 1998.

The consumers who had invested with D.H. Blair will be contacted by the firm and told how and when to file a claim. They will then have 90 days from the date of the notice to file their claims.

Under the terms of the agreement, the claims will be submitted to a branch of the National Association of Securities Dealers (NASDR). Illinois customers who do not receive a notification letter may contact Secretary White's Illinois Securities Department at 1-800-628-7937.

In August 1997, D.H. Blair was censured and fined \$2 million

by NASDR. As part of its agreement with the NASDR, the firm agreed to pay restitution to customers for alleged excessive markups with several public offerings. In February 1997, D.H. Blair was censured by the New York Stock Exchange (NYSE) and fined \$250,000. In April 1998, D.H. Blair ended retail sales operations.

Secretary White's Securities Department regulates the state's securities industry, protects Illinois investors and maintains a fair and orderly securities marketplace.