

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

IN THE MATTER OF: William D. Mattes, Sr.)
_____)

FILE NO. 0800115

NOTICE OF HEARING

TO THE RESPONDENT: William D. Mattes, Sr.
(CRD 3251539)
1402 Ashton Court
Wheeling, Illinois 60090

You are hereby notified that pursuant to Section 11.E 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 1st day of October 2008, at the hour of 10:00 a.m., or as soon as possible thereafter, before James L. Kopecky, Esq., or such duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered which would revoke William D. Mattes, Sr. ("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 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 Respondent was registered with the Illinois Secretary of State as a salesperson through his employment with Chase Investment Services Corporation ("CISC") starting July 26, 2005 and continuing to August 10, 2006.
2. That on November 6, 2000 FINRA entered an order barring the Respondent from associating with any FINRA member in any capacity for conversion of customer funds, in violation of Rule 2110.

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3. That the Decision found that Respondent violated Rule 2110 of the NASD Rules of Conduct by:

Creating on April 22, 2008 an ATM card in the name of one of his customers without the customer's knowledge and used the card on 13 occasions over a two-month period to withdraw funds customer's accounts. Each of these withdrawals was without the authorization or knowledge of the customer.
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 Section 8.E(3) of the Act provides, *inter alia*, that the Secretary of State may institute a revocation proceeding within two years after withdrawal became effective and enter a revocation order as of the last date on which registration was effective.
6. That FINRA is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
7. By virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to revocation effective August 10, 2006 pursuant to Sections 8.E(1)(j), and 8.E(3) 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.

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The Rules promulgated under the Act and pertaining to Hearings held by the Office of the Secretary of State, Securities Department may be viewed online at <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 4th day of August 2008.



JESSE WHITE
Secretary of State
State of Illinois

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