

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

IN THE MATTER OF: FLYNN L. ANDREW)
_____)

FILE NO. 0700272

NOTICE OF HEARING

TO THE RESPONDENT: Flynn L. Andrew
(CRD#:2748728)
127 Woodcrest Court
Macon, Georgia 31210

C/o Pro Equities, Inc.
2801 Highway 280 South
Birmingham, Alabama 35223

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 10th day of October, 2007 at the hour of 10:00 a.m. or as soon as possible thereafter, before James L. Kopecky, 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 Flynn L. Andrew'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.

2. That on May 18, 2007, NASD entered a Letter Of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding File No. E0420040369 which sanctioned the Respondent as follows:
 - a. 10-business day suspension from association with any member firm in any capacity; and
 - b. \$10,000 fine.
3. That the AWC found:
 - a. The Respondent used communications with the public in the form of eight letters and two e-mails from April 2003 through March 2004. Among other things, the communications used the phrase "guarantee" or "guaranteed" regarding specified rates of return, without making the necessary commensurate disclosures about the claims-paying ability of the issuer or that there may be certain holding periods in order to obtain such rates of return. Among other things, the communications also compared variable annuities and mutual funds, without making the necessary commensurate disclosures that there are thousands of mutual funds available, and other costs and restrictions associated with variable annuities that may not apply to mutual funds.
 - b. These communications were in violation of NASD Conduct Rules 2210 (d)(1)(A), 2210(d)(1)(B), 2210(0(2)(A), 2210(f)(2XC), 2210(d)(2)(M), and Variable Annuity Guidelines set out in IM-2210-2, 2110, SEC Rule 482(b)(1), 482(b)(3) and 482(d)(1). By violating SEC Rule 482, the Respondent violated NASD Conduct Rule 2210(e) and Rule 2110. Through all of the foregoing violations, the Respondent violated 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.

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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.

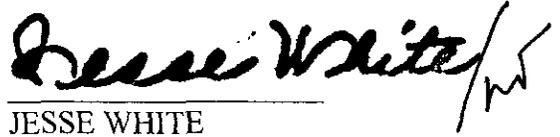
You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 ILL. Adm. Code 130)(the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time 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.

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

Dated: This 17th day of August 2007



JESSE WHITE
Secretary of State
State of Illinois

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Hearing Officer:
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