

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: GARY E. BIDZINSKI

FILE NO. 0500445

NOTICE OF HEARING

TO THE RESPONDENT: Gary E. Bidzinski
826 Roland Ave.
Rockford, IL 61107

C/O LaSalle St. Securities, L.L.C.
230 W. Monroe St.
Chicago, IL 60606

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 June, 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 revoking Gary E. Bidzinski'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 July 11, 2005, the Business Conduct Committee (the "Committee") of the Chicago Board Options Exchange (the "Exchange") entered an Offer of Settlement regarding File # 04-0032 which sanctioned the Respondent as follows:
 - a. A fine of \$5,000.00
 - b. A Censure
 - c. A suspension for thirty (30) consecutive days from Exchange membership and from association with any exchange member or member organization.
3. That the Exchange found that the Respondent:
 - a. During all relevant periods, was registered with the Exchange to transact business on the Exchange in accordance with Exchange Rules as a Registered Representative of Morgan Stanley DW, Inc. ("MSDW"), an Exchange member organization, at MSDW's Rockford, IL branch office.
 - b. During all relevant periods, Respondent was acting in his capacity as a Registered Representative for MSDW, and was engaged in the handling of public customer accounts including, but not limited to, the accounts of public customer #1 ("Customer #1) and public customer #2 ("Customer #2").
 - c. During all relevant periods, Exchange Rule 4.1 -- Just and Equitable Principles of Trade, was in full force and effect.
 - d. In or about November 1997, Respondent solicited and accepted personal loans, totaling at least \$75,000, from MSDW Customer #2 in contravention of MSDW's written procedures regarding lending or borrowing.
 - e. During the approximate period from, on or about April 16, 2001 and through on or about June 22, 2001, Respondent wrote two (2) letters to the husband of Customer #1, which misrepresented the true values of Customer #1's account by overstating the account equity.
4. That Section 8.E(1)(j) of the Act states that subject to the provisions of subsection F of Section 11 of the Act, the registration of a dealer, limited Canadian dealer, salesperson, investment advisor, or investment advisor

representative may be denied, suspended or revoked if the Secretary of State finds that the dealer, limited Canadian dealer, salesperson, investment advisor, or investment advisor representative or any principal officer, director, partner, member, trustee, manager or any person who performs a similar function of the dealer, limited Canadian dealer, or investment advisor has had membership in or association with any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act suspended, revoked, refused, expelled, cancelled, barred, limited in any capacity, or otherwise adversely affected in a similar manner 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 Exchange is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
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.

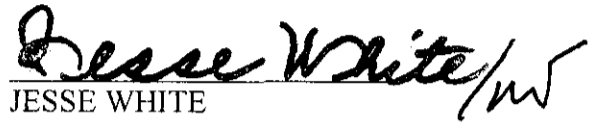
You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 ILL. Adm. Code 130)(the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time 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 25th day of April 2006.

A handwritten signature in black ink that reads "Jesse White" followed by a stylized monogram "JW".

JESSE WHITE
Secretary of State
State of Illinois

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