

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

IN THE MATTER OF: Chanse K. Menendez, Sr)
_____))

File No: C0500213

ORDER OF REVOCATION

TO THE RESPONDENT: Chanse K. Menendez, Sr
CRD #2448467
25 Michele Ln.
Hauppauge, NY 11788

Chanse K. Menendez, Sr
Fordham Financial Management, Inc.
14 Wall Street
18th Floor
New York, NY 10005

WHEREAS, the above-captioned matter came on to be heard on March 14, 2007 pursuant to the Amended Notice of Hearing dated September 18, 2006, filed by Petitioner Secretary of State, and the record of the matter under the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") has been reviewed by the Secretary of State or his duly authorized representative.

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed to be proper and are hereby concurred with by the Secretary of State.

WHEREAS, the proposed Findings of Fact, Conclusions of Law and Recommendations of the Hearing Officer, James L. Kopecky, Esq., in the above-captioned matter have been read and examined.

WHEREAS, the proposed Findings of Fact of the Hearing Officer are correct and are hereby adopted as the Findings of Fact of the Secretary of State:

Based on the evidence presented, the Hearing Officer finds that:

1. The Department served Respondent with an Amended Notice of Hearing on or about September 22, 2006.
2. The Respondent failed to answer, appear, or submit a responsive pleading.

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3. The Respondent did not appear at the Hearing.
4. Chanse K. Menendez is an individual whose last known address is 25 Michele Lane, Hauppauge, NY 11788. Respondent is registered with the State of Illinois as a salesperson through Westpark Capital, Inc. commencing March 1, 2006. Respondent's CRD # is 2448467.
5. Between August 22, 2003, through March 17, 2005, Respondent was registered as a salesperson with the State of Illinois through LH Ross & Company, Inc. ("LH Ross").
6. John Fraser is an Illinois resident. In 2004-2005, John Fraser had an account at LH Ross.
7. Respondent was the salesperson assigned to John Fraser's account at LH Ross. Said account was not a discretionary account.
8. On November 22, 2004, Respondent purchased 15,000 shares of OSUR in John Fraser's account without the knowledge or authorization of John Fraser. John Fraser promptly complained and the Respondent had the transaction removed from John Fraser's account.
9. On January 14, 2005, Respondent again purchased 15,000 shares of OSUR in John Fraser's account without the knowledge or authorization of John Fraser. John Fraser promptly complained and the Respondent had the transaction removed from John Fraser's account.
10. On January 20, 2005, Respondent once again purchased 15,000 shares of OSUR in John Fraser's account without the knowledge or authorization of John Fraser. Again John Fraser promptly complained.
11. On January 24, 2005, Respondent sold the shares referred to in paragraph 8, above resulting in a loss of \$28,675.74 to John Fraser's account.
12. John Fraser requested on numerous occasions that his account be rectified, and the transactions in paragraphs 8-10 be removed from his account. The Respondent told John Fraser that there were insufficient funds left for him to rectify the problem.

WHEREAS, the Secretary of State makes the following additional finding of facts based upon evidence presented at the Hearing:

13. Respondent was last registered as a sales representative in Illinois on December 12, 2006.

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WHEREAS, the proposed Conclusions of Law made by the Hearing Officer are in part correct and in part incorrect and are hereby adopted as modified as the Conclusions of Law of the Secretary of State:

1. The Department properly served the Amended Notice of Hearing on Respondent on or about September 22, 2006.
2. The Amended Notice of Hearing included the information required under Section 1102 of the Code.
3. The Secretary of State has jurisdiction over the subject matter hereof pursuant to the Act.
4. Because of Respondent's failure to file a timely answer, special appearance or other responsive pleading in accordance with Section 13.1104:
 - (a) the allegations contained in the Notice of Hearing are deemed admitted;
 - (b) Respondent waived his right to a hearing;
 - (c) Respondent is subject to an Order of Default.
5. Because the Respondent failed to appear at the time and place set for hearing, in accordance with Section 130.1109, he:
 - (a) waived his right to present evidence, argue, object or cross examine witnesses; or
 - (b) otherwise participate at the hearing.
6. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the provisions of this Act for any person to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchase, or seller thereof.
7. By virtue of the facts as stated in paragraph 1-12, and the Conclusions of Law, Respondent violated Section 12.F of the Act.
8. Section 12.I of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to employ any device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly.

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9. By virtue of the facts as stated in paragraph 1-12, and the Conclusions of Law, foregoing, Respondent violated Section 12.I of the Act.
10. Section 8.E(1)(g) provides, subject to the provisions of subsection F of Section 11 of this Act, the registration of a salesperson may be revoked if the Secretary of State finds the salesperson has violated any of the provisions of this Act.
11. By virtue of the facts as stated in paragraph 1-9 of the Proposed Findings of Fact, and the Conclusions of Law, Respondent's registration as a salesperson in State of Illinois is subject to revocation.

Revocation

12. Section 8.E(1)(g) provides, subject to the provisions of subsection F of Section 8 of this Act, the registration of a salesperson may be revoked if the Secretary of State finds the salesperson has violated any of the provisions of this Act.
13. Section 8.E(3) provides that the Secretary of State may 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.

Fine and Costs

14. Section 11.E(4) of the Act provides, *inter alia*, that in addition to any other sanction or remedy contained in subsection E, the Secretary of State, after finding that any provision of this Act has been violated: may impose a fine as provided by rule, regulation or order not to exceed \$10,000, for each violation of this Act; may issue an order of public censure against the violator; and may charge as costs of investigation all reasonable expenses, including attorney's fees and witness fees.

WHEREAS, the Hearing Officer recommended that:

1. An order of default be entered against Respondent.
2. Respondent's registration as a salesperson in the State of Illinois be revoked retroactive to December 6, 2006.
3. Respondent be fined in the amount of \$10,000.00.
4. Respondent pay costs in the amount of \$2,500.00

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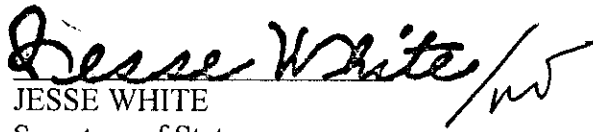
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WHEREAS, the **Secretary of State** adopts in its entirety the Recommendations made by the Hearing Officer.

NOW THEREFORE, IT SHALL BE AND IS HEREBY ORDERED:

1. Respondent's registration as a Salesperson in the State of Illinois is REVOKED effective December 6, 2006.
2. Respondent shall pay a fine in the amount of \$10,000.00.
4. Respondent shall pay costs in the amount of \$2,500.00

ENTERED This 8th day of February 2008


JESSE WHITE
Secretary of State
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony for each offence.

This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 et seq.] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Attorney for the Secretary of State:
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