

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

IN THE MATTER OF: JAMES C. ACKERMAN )

**FILE NO. 0800482**

**NOTICE OF HEARING**

**TO THE RESPONDENT:** James C. Ackerman  
(CRD#: 1641924)  
99 Anderson Avenue  
Demarest, New Jersey 07627

James C. Ackerman  
(CRD#: 1641924)  
C/o Sloan Securities, Corp.  
Two Executive Drive  
Fort Lee, New Jersey 07024-3308

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 17th day of June, 2009 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 James C. Ackerman'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.

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2. That on September 12, 2008 FINRA entered a Letter Of Acceptance, Waiver And Consent (AWC) submitted by the Respondent regarding File No. **E9B200501420**. Which sanctioned the Respondent as follows:
  - a. \$35,000 fine;
  - b. three-month suspension from association with any member firm in any principal capacity;
  - c. ten business day suspension , to run concurrently with the principal suspension imposed above, from association with any member firm in any capacity; and should he desire to serve in a principal capacity in the future, he must first re-qualify as a General Securities Principal by passing the Series 24 examination within 60 days of the end of the three-month suspension imposed herein.
3. That the AWC listed the following background information:

Sloan Securities Corp. (“Sloan”) has been a member of FINRA (f/k/a National Association of Securities Dealers or NASD) since July 24, 1987. Sloan conducts a general securities business and its main office is located in Ft. Lee, New Jersey. The firm is also registered with the Municipal Securities Rulemaking Board (“MSRB”). During the relevant period, it operated eight branch offices and employed approximately 65 registered persons. The Respondent became registered with FINRA and Sloan as a General Securities Representative on January 16, 1988, and as a General Securities Principal on May 3, 1988. He has been Sloan's President since 1998.
4. That the AWC found:

### **Private Offering**

In 2007, Sloan acted as a placement agent in a private offering that sought to raise a total of \$60 million by selling 60 units at \$100,000 each; the Respondent was a partner of the issuer. The offering memorandum represented that the offering was to conclude no later than the earlier of June 15, 2007 or when the maximum number of shares was sold. The offering terms required that investor subscription payments be deposited in the account of a bank acting as escrow agent.

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The offering was sold on a contingency basis, requiring Sloan to sell a minimum of six units (\$600,000) before funds could be released from escrow. Sloan, acting through the Respondent, caused the release of investor funds from escrow before the satisfaction of this contingency. Specifically, on May 31, 2007, Sloan, acting through the Respondent, ordered the release from escrow of the \$550,000 in offering proceeds that had been raised. In doing so, the firm waived the \$50,000 fee it was entitled to for work on the offering; however, this possibility was never disclosed to investors. Based on this conduct, the Respondent violated Section 10(b) of the Exchange Act, Rule 10b-9 thereunder, and NASD Conduct Rule 2110.

5. 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.
6. That FINRA is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
7. 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.

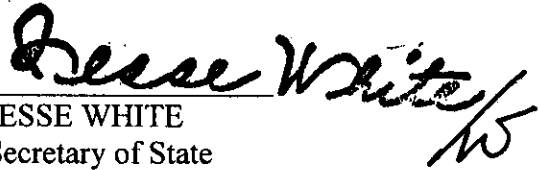
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A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

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

Dated: This 20<sup>th</sup> day of April 2009.

  
JESSE WHITE  
Secretary of State  
State of Illinois

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Illinois Securities Department  
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Hearing Officer:  
James L. Kopecky  
190 S. LaSalle  
Chicago, Illinois 60603