

5. That this Affidavit of Compliance is declared filed of record as of the date set forth below in compliance with Section 413(g) of the Act.

FURTHER AFFIANT SAYETH NOT.

Dated this 30th day of October, 2001.

(SEAL)

Irving L. Faught
Irving L. Faught
Administrator

Subscribed and sworn to before me this 30th day of October, 2001.

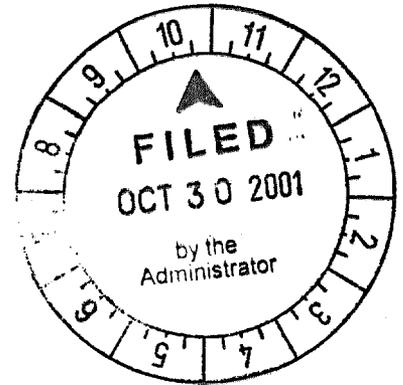
(NOTARY SEAL)

Philip Anthony
Notary Public

My Commission Expires:

Sept 18, 2004

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

MJK Clearing, Inc.

Respondent.

File No. ODS 02-056

NOTICE OF OPPORTUNITY FOR HEARING

1. Pursuant to his authority under Section 405 of the Oklahoma Securities Act (Act), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (1991 & Supp. 2000), the Administrator of the Oklahoma Department of Securities (Department) authorized an investigation into the registration of MJK Clearing, Inc. (MJK Clearing) as a broker-dealer under the Act.

2. On the 30th day of October, 2001, the attached Recommendation to Cancel Registration (Recommendation) was left in the office of the Administrator.

3. Pursuant to Section 406(b) of the Act, the Administrator hereby gives notice to MJK Clearing of its right to request a hearing to show why an order based on the Recommendation should not be issued.

4. The request for a hearing on the Recommendation must be received by the Administrator within fifteen (15) days after service of this Notice. Pursuant to Section 406(b) of the Act, failure to request a hearing as provided for herein shall result in the issuance of an order to cancel the registration of MJK Clearing under the Act.

5. The request for hearing shall be in writing and MJK Clearing shall specifically admit or deny each allegation in said request as required by 660:2-9-1(c) of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (Rules).

6. Upon receipt of a written request, pursuant to 660:2-9-2 of the Rules, a hearing on this Notice shall be set within sixty (60) days or a written order denying hearing shall be issued.

7. Notice of the date, time and location of the hearing shall be given to MJK Clearing not less than ten (10) days in advance thereof pursuant to 660:2-9-3(a) of the Rules. Additionally, the notice may contain matters to supplement this Notice and the Recommendation attached hereto.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 30th day of October 2001.

(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 30th day of October, 2001, a true and correct copy of the above and foregoing Notice of Opportunity for Hearing and attached Recommendation to Cancel Registration was mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon addressed to:

James Stephenson
Trustee for MJK Clearing, Inc.
220 Wells Fargo Center
90 South Seventh Street
Minneapolis, Minnesota 55402-3901

MJK Clearing, Inc.
5500 Wayzata Blvd.
Suite 600
Minneapolis, MN 55416

Melanie Hae

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102

In the Matter of:

MJK Clearing, Inc.

Respondent.

File No. ODS 02-056

RECOMMENDATION TO CANCEL REGISTRATION

Pursuant to the Oklahoma Securities Act (Act), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (1991 & Supp. 2000), an investigation was conducted into the registration under the Act of MJK Clearing, Inc. (MJK Clearing). Based thereon, the following Findings of Fact, Authorities and Conclusions of Law are submitted to the Administrator, or his designee, in support of the issuance of an order to cancel the registration under the Act of MJK Clearing as a broker-dealer.

Findings of Fact

1. On October 18, 1989, MJK Clearing became registered as a general securities broker-dealer under the Act and the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (Rules).
2. On September 27, 2001, pursuant to the application of the Securities Investor Protection Corporation (SIPC) filed in the United States District Court for the District of Minnesota, in Civil Action No. CIV01-1779, the court entered a protective order finding that the customers of MJK Clearing "are in need of the protection afforded by the Securities Investors Protection Act (SIPA), 15 U.S.C. §§ aaa-III." The court appointed James P. Stephenson as trustee for the liquidation of the business of MJK Clearing.
3. Section 78jjj(b) of SIPA prohibits a broker-dealer for whom a trustee has been appointed under SIPA from engaging in business as a broker-dealer unless the United States Securities and Exchange Commission (SEC) determines it otherwise to be in the public interest. The SEC has not determined that it is in the public interest to allow MJK Clearing to engage in the securities business as a broker-dealer.
4. Based on Section 78jjj(b) of SIPA, MJK Clearing has ceased doing business as a broker-dealer.

5. Based upon the foregoing, it is in the public interest to cancel the registration of MJK Clearing as a broker-dealer under the Act.

6. To the extent any of these Findings of Fact are more properly characterized as Conclusions of Law, they should be so considered.

AUTHORITY

Section 204 of the Act provides in part:

(e) If the Administrator finds that any registrant or applicant for registration is no longer in existence or has ceased to do business as a broker-dealer, agent, investment adviser or investment adviser representative, or is subject to an adjudication of mental incompetence or to the control of a committee, conservator, or guardian, or cannot be located after reasonable search, the Administrator may by order cancel the registration or application.

CONCLUSIONS OF LAW

1. Based on Section 78jjj(b) of SIPA, MJK Clearing has ceased doing business as a broker-dealer since the appointment of the SIPC trustee on September 27, 2001.

2. The Administrator has the authority, pursuant to Section 204 of the Act, to cancel the broker-dealer registration of MJK Clearing.

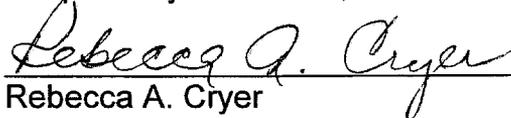
3. It is in the public interest to cancel the registration of MJK Clearing as a broker-dealer under the Act.

4. To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

WHEREFORE, it is recommended that the Administrator issue a final order to cancel the registration of MJK Clearing under the Act.

Dated this 30th day of October, 2001.

Respectfully Submitted,



Rebecca A. Cryer
Enforcement Attorney
Oklahoma Department of Securities
120 North Robinson, Suite 860
Oklahoma City, OK 73102