STATE OF SOUTH DAKOTA DEPARTMENT OF LABOR & REGULATION DIVISION OF SECURITIES

IN THE MATTER OF:)
) ORDER TO SHOW CAUSE
HALLMARK INVESTMENTS, INC.,) WHY REGISTRATION
CRD# 135003) SHOULD NOT BE DENIED
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TO: Steven Dash
President
Hallmark Investments, Inc.
260 Madison Ave., 8th Floor
New York, NY 10016

The Director of the Division of Securities, Mr. Larry Deiter, has determined the following:

- That Hallmark Investments, Inc. has a last known address of 260 Madison Ave., 8th Floor, New York, NY 10016.
- That pursuant to SDCL 47-31B-401 and 47-31B-402, it is unlawful for any person to transact business in South Dakota as a broker-dealer or agent unless the person is registered under chapter 47-31B.
- That on January 9, 2017, Hallmark Investments, Inc. filed for registration as a brokerdealer in South Dakota. Hallmark Investments, Inc.'s registration is currently listed as "No status" in South Dakota.
- 4. That in a certified letter dated January 31, 2017, the Division requested information regarding an open investigation by FINRA into Hallmark Investments, Inc. Per the United States Postal Service website, the letter was received by the firm on February 3, 2017.
- That because the Division had not received a response from Hallmark Investments, Inc., the Division attempted to call the firm on March 1, 2017. The Division left a message for the firm.
- 6. That Hallmark Investments, Inc. did not return the Division's telephone message.
- That the Division again called Hallmark Investments, Inc. on March 6, 2017. The
 Division spoke with the receptionist who stated that someone from the compliance
 department would call the Division.
- 8. That Hailmark Investments, Inc. did not return the Division's telephone message.
- That the Division again called Hallmark Investments, Inc. on March 7, 2017 and left another message.

- 10. That as of March 13, 2017, Hallmark Investments, Inc. has failed to respond to the Division's January 31, 2017 letter requesting information and has failed to respond to the Division's numerous telephone messages.
- 11. That pursuant to SDCL 47-31B-602, the Division can require a broker dealer to file a statement or respond to an inquiry from the Division.
- 12. That pursuant to SDCI. 47-31B-412(a) and (b), the Director may by order deny, suspend or revoke any registration if he finds that the order is in the public interest and that the registrant has willfully violated or willfully failed to comply with any provisions of chapter 47-31B or a predecessor act or any rule or order under chapter 47-31B or a predecessor act.
- 13. That sufficient grounds exist for the issuance of an Order to Show Cause Why Registration Should Not Be Denied. The following Order is necessary and appropriate in the public interest and for the protection of investors and is consistent with the policies and provisions of chapter 47-31B.
- 14. That SDCL 47-31B-604 permits the Division to impose a civil penalty of up to \$10,000 per violation of Chapter 47-31B.
- 15. That the Division hereby imposes a fine of \$1000 against Hallmark Investments, Inc. for failure to respond to the Division's request for information.

NOW THEREFORE, IT IS HEREBY ORDERED, pursuant to South Dakota codified Laws, Section 47-31B-412(b), that Hallmark Investments, Inc. show cause why its registration as a broker-dealer should not be revoked. The Division shall revoke the registration of Hallmark Investments, Inc. within thirty (30) days from receipt hereof, unless it makes a request for hearing within thirty (30) days from receipt hereof.

IT IS FURTHER ORDERED, that Hallmark investments, Inc. is entitled to a hearing pursuant to Section 47-31B-412(f) and (g). Any hearing in this matter shall be conducted according to procedures for contested cases as prescribed in SDCL chapter 1-26. If the amount in controversy exceeds two thousand five hundred dollars (\$2500) or if a property right may be terminated, any party to the contested case may require the Division to use the Office of Hearing Examiners by giving notice to the Division no later than ten (10) days after service of a notice of hearing issued pursuant to §1-26-17.

Dated this 13th day of March: 2017.

Mr. Larry Deiter

Director

Division of Securities 124 S. Euclid Ave.

Pierre, SD 57501