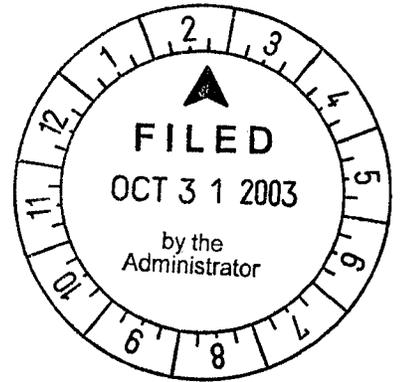


STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Clearing Services of America, Inc.
CRD No. 23623

Respondent.

File No. ODS 04-029

AFFIDAVIT OF COMPLIANCE
AND
NOTICE OF SERVICE ON THE ADMINISTRATOR

STATE OF OKLAHOMA)
) SS.
COUNTY OF OKLAHOMA)

The undersigned affiant, of lawful age, being first duly sworn upon oath deposes and states:

1. That he is the Administrator of the Oklahoma Department of Securities (Department).
2. A copy of the Notice of Opportunity for Hearing (Notice) with General Counsel's Recommendation (Recommendation) attached was delivered to Affiant in the office of the Administrator pursuant to Section 413(g) of the Oklahoma Securities Act (Act), OKLA. STAT. Ann. tit. 71, §§ 1-413, 501, 701-703 (West 2003).
3. A copy of the Notice, with the Recommendation attached, is being sent this 31st th day of October, 2003, by certified mail, return receipt requested, delivery restricted to addressee, to the last known address of Clearing Services of America, Inc. (Clearing Services), in compliance with Section 413(g) of the Act.
4. This Affidavit of Compliance shall serve as notice to Clearing Services that service of process has been effected on Clearing Services by service on the Administrator pursuant to Section 413(g) of the Act.

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 31st day of October, 2003.

(SEAL)


Irving L. Faught, Administrator

Subscribed and sworn to before me this 31st day of October, 2003.

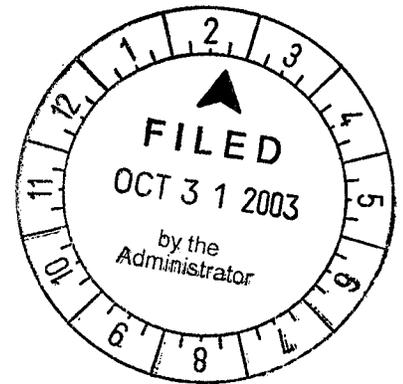
(NOTARY SEAL)


Brenda London Smith
Notary Public

My Commission Expires: August 26, 2005

My Commission Number: 01013792

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



In the Matter of:

Clearing Services of America, Inc.
CRD No. 23623

Respondent.

File No. ODS 04-029

NOTICE OF OPPORTUNITY FOR HEARING

1. Pursuant to his authority under Section 405 of the Oklahoma Securities Act (Act), OKLA. STAT. Ann. tit. 71, §§1-413, 501, 701-703 (West 2003), the Administrator (Administrator) of the Oklahoma Department of Securities (Department) authorized an investigation into the activities of Clearing Services of America, Inc. (Clearing Services) in connection with the registration of Clearing Services as a broker-dealer under the Act.

2. On the 30th day of October, 2003, the attached General Counsel's Recommendation (Recommendation) was left in the office of the Administrator.

3. Pursuant to Section 204(g) of the Act, the Administrator hereby gives notice to Clearing Services of its right to request a hearing to show why an order based on the Recommendation should not be issued.

4. The Administrator must receive the request for a hearing on the Recommendation within fifteen (15) days after service of this Notice.

5. Pursuant to Section 204(g) of the Act, failure to request a hearing as provided for herein may result in the issuance of an order to cancel the registration of Clearing Services as a broker-dealer.

6. The request for hearing shall be in writing and Clearing Services 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).

7. 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.

8. Notice of the date, time and location of the hearing shall be given to Clearing Services 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 31st day of October, 2003.

(SEAL)

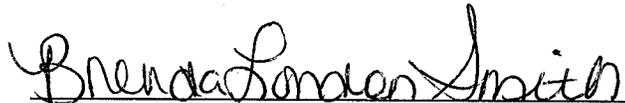


IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

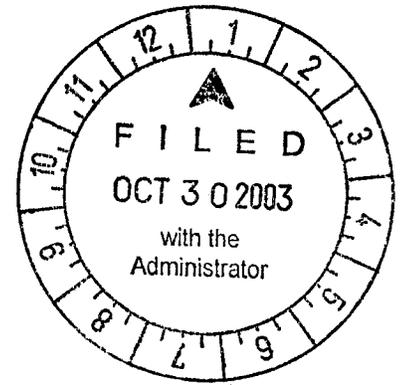
The undersigned hereby certifies that on the 31st day of October, 2003, a true and correct copy of the above and foregoing Notice of Opportunity For Hearing on the proposed cancellation of the registration of Clearing Services of America, Inc. as a broker dealer was mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon addressed to:

Clearing Services of America, Inc.
77 West Port Plaza, Suite 263
St. Louis, Missouri 63146-7585



Brenda London Smith
Paralegal

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



In the Matter of:

Clearing Services of America, Inc.
CRD No. 23623

Respondent.

File No. ODS 04-029

GENERAL COUNSEL'S RECOMMENDATION

Information has come to the attention of the Administrator of the Oklahoma Department of Securities (Department) in connection with the registration of Clearing Services of America, Inc. (Clearing Services). Based thereon, and pursuant to Section 204(g) of the Oklahoma Securities Act (Act), OKLA. STAT. Ann. tit. 71, §§ 1-413, 501, 701-703 (West 2003), Z. Faye Martin Morton, General Counsel of the Oklahoma Department of Securities (Department), submits the following Findings of Fact, Authorities and Conclusions of Law to the Administrator, or his designee, in support of the issuance of an order to cancel the registration of Clearing Services as a broker-dealer under the Act.

Findings of Fact

1. Clearing Services has been 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 since April 17, 1995.

2. On September 8, 2003, pursuant to the application of the Securities Investor Protection Corporation (SIPC), Judge Catherine Perry of the United States District Court for the Eastern District of Missouri entered an order placing Clearing Services into liquidation under the Securities Investor Protection Act, 15 U.S.C. §§78aaa-111 (SIPA), Action No. 03-04774. The judge also appointed Thomas Vandiver to serve as trustee in the matter.

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 made such a finding.

4. Based on Section 78jjj(b) of SIPA, Clearing Services has ceased doing business as a broker-dealer.

5. Based upon the foregoing, it is in the public interest to cancel the registration of Clearing Services as a broker-dealer in the state of Oklahoma.

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. It is in the public interest to cancel the broker-dealer registration of Clearing Services.

2. The Administrator of the Department is authorized to cancel the broker-dealer registration of Clearing Services pursuant to Section 204 of the Act.

WHEREFORE, it is recommended that the Administrator issue an order to cancel the broker-dealer registration of Clearing Services under the Act.

Dated this 30th day of October, 2003.

Respectfully Submitted,



Z. Faye Martin Morton
General Counsel
Oklahoma Department of Securities
120 North Robinson, Suite 860
Oklahoma City, OK 73102