

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

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**IN THE MATTER OF: Malleswara Rao Tuthika**

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File No. 1200056  
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**TEMPORARY ORDER OF PROHIBITION**

**TO RESPONDENT:** Malleswara Rao Tuthika  
(CRD#: 5131117)  
234 Signature Drive  
Bloomington, Illinois 60108

Malleswara Rao Tuthika  
407 Ogden Ave.  
Clarendon Hills, Illinois 60514

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

**Background Facts**

1. Respondent Malleswara Rao Tuthika is a natural person with the last known home address in Illinois.
2. That at all relevant times, the Respondent was registered with the Secretary of State as a salesperson and investment advisor in the State of Illinois pursuant to Section 8 of the Act until August of 2011.
3. That on July 26, 2011, FINRA entered a Default Decision regarding FILE NO. 200801424201, which barred Respondent from association with any member firm in any capacity.
4. That on August 23, 2011, FINRA's Default Decision was rendered a Final Decision, barring the Respondent from the Association with any FINRA member in any capacity.
5. That the FINRA Order stated: Respondent exercised discretion in customers' accounts without written customer authorization, and without approval of the account as discretionary by his firm, in violation of NASD Conduct Rules 2510 and 2110. Respondent also recommended and executed unsuitable mutual fund switch transactions, in violation of NASD Conduct Rules 2310 and 2110, and IM-2310-2. For these violations, Respondent is barred from associating with any member firm in any capacity."

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6. That Respondent lists the following on his LinkedIn public profile:  
“Director of Business Investments (Advising World’s Richest People & Forbes Global 2000 Companies) at Confidential Wall Street firm near New York Stock Exchange, USA Director of Social Investments (Investing in America’s Education & Job Creation Projects) at USCHARITIES.ORG”
7. That Respondents public LinkedIn information fails to disclose that he is not registered as a dealer/broker and/or investment advisor/investment advisor representative in the State of Illinois.
8. That Respondents public LinkedIn information fails to disclose that FINRA has barred him from the industry.
9. That Respondents public LinkedIn information fails to disclose any the violations of FINRA/NASD Rules of Conduct.

**Count I**  
**815 ILCS 5/12.J Violation**

- 1-9. The Illinois Secretary of State re-alleges and incorporates paragraphs 1 through 9 of the background facts.
10. That Respondent touted his investment abilities on a public website of LinkedIn.
11. That Respondent by failing to disclose that he is not registered as a dealer/broker and/or investment advisor/investment advisor representative.
12. Section 12.J of the Act states: “When acting as an investment advisor, investment advisor representative, or federally covered investment advisor, be any means or instrumentality, directly or indirectly: (1) to employ any device, scheme or artifice to defraud and client or prospective client; or (2) To engage I any transaction, practice, course f business which operates as a fraud or deceit upon any client or prospective client; or (3) to engage in any act, practice, or course of business which is fraudulent, deceptive or manipulative.” 815 ILCS 5/12.J.
13. By virtue of this foregoing conduct, Respondents violated Sections 12.J of the Act.

**COUNT II**  
**815 ILCS CS 5/12.C Violation**

- 1-9. The Illinois Secretary of State re-alleges and incorporates paragraphs 1 through 9 of the background facts.
10. That Respondent failed to disclose that he is not registered as a dealer/broker and/or investment advisor/investment advisor representative.

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11. Through the conduct described in above, the Respondent acted as a an investment advisor and/ or investment advisor representative stating that he currently is “Advising World’s Richest People & Forbes Global 2000 Companies”.
12. That 12.C of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to act as a dealer, salesperson or investment adviser unless registered such, where such registration is required under this Act.
13. That at all relevant times, the respondent was not registered as a dealer and/or salesperson or investment adviser under the Act.
14. That by acting as a an investment advisor and/ or investment advisor representative in the State of Illinois, without being registered as such, respondent violated section 12.C of the Act.
15. By virtue of this foregoing conduct, Respondent violated Sections 12.C of the Act.
16. The aforementioned findings are based upon credible evidence.
17. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit or suspend the offer or sale of securities, the registration of a dealer, salesperson, investment advisor, or investment advisor representative, or the business of rendering investment advice, without notice an prior hearing, by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
18. The entry of this **Temporary Order of Prohibition** prohibiting Respondent from offering or selling securities or engaging in the business of acting as an investment adviser in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent Malleswara Rao Tuthika is **Temporarily Prohibited** from offering or selling securities in or from this State and engaging in the business of acting as an investment adviser until the further Order of the Secretary of State.

NOTICE is hereby given that Respondent may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the **Temporary Order of Prohibition**. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order of Prohibition and will extend the effectiveness of this Temporary Order of Prohibition for ninety (90) days from the date the hearing request is received by the Department.

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FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This 12<sup>th</sup> day of March 2012

A handwritten signature in black ink that reads "Jesse White". The signature is written in a cursive style with a prominent flourish at the end.

JESSE WHITE  
Secretary of State  
State of Illinois

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