

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

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**IN THE MATTER OF:**

**SEAN F. MESCAL (a/k/a Sean F. Mescall)**

**and CAPITAL STREET FINANCIAL, LLC,**

**their partners, members, officers and directors, agents,**

**employees, affiliates, successors and assigns.**

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) **No. 0900143**  
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**TEMPORARY ORDER OF PROHIBITION**

**TO RESPONDENTS: Sean F. Mescal  
a/k/a Sean F. Mescall  
4605 River Hills Drive  
Denver, North Carolina 28037**

**And**

**Capital Street Financial, LLC  
4605 River Hills Drive  
Denver, North Carolina 28037**

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:

1. Respondent Sean F. Mescall a/k/a Sean F. Mescall (hereinafter "Mescal" or collectively with CSF "Respondents") has a last known address of 4605 River Hills Drive, Denver, North Carolina 28037.
2. Respondent Capital Street Financial, LLC (hereinafter "CSF" or collectively with Mescal "Respondents") is Nevada limited liability company with a last known address of 4605 River Hills Drive, Denver, North Carolina 28037.
3. Respondent Mescal was the president and sole controlling member of Respondent CSF at all relevant times hereinafter stated.
4. In March 2008 Respondents solicited an Illinois resident ("Investor") to purchase an interest in Mescal's currency trading business, Respondent CSF, in the amount of \$10,000.

5. Respondents promised that Mescal would “trade currencies” and Investor would share in the profits.
6. On March 17, 2008 Investor gave Respondents Mescal and CSF a check in the amount of \$10,000 (“Investment”) which was to be used for investment in currency trading.
7. The activities in paragraph 4, 5 and 6 constitute the offer and sale of an investment contract and are therefore a security as those terms are defined in Section 2.1, 2.5 and 2.5a of the Illinois Securities Act of 1953 [815 ILCS 5] (the “Act”).

### **FAILURE TO REGISTER SECURITIES**

8. Respondents never registered the investment contract with the Illinois Securities Department.
9. Section 5 of the Act provides, *inter alia*, that “all securities except those set forth under Section 2a of this Act...or those exempt...shall be registered ...prior to their offer or sale in this State.”
10. Respondents failed to file an application with the Secretary of State to register the stock as required by the Act, and as a result the promissory note was not registered as such prior to its offer or sale in the State of Illinois.
11. Section 12.A of the Act provides, *inter alia*, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
12. Section 12.D of the Act provides, *inter alia*, that it shall be a violation for any person “to fail to file with the Secretary of State any application, report or document, required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.”
13. By virtue of the foregoing Respondents violated Sections 12.A and 12.D of the Act.

### **FRAUD**

14. Respondents did not use Investor’s money for currency trading as was promised to Investor, but instead converted the funds for their own personal and business purposes.
15. Respondents failed and refused to notify the Investor that they were converting the Investment to their own use and benefit, instead of using it to trade currencies as promised.

16. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, “to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof”.
17. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, “to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading”.
18. Section 12.I of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, “to employ any device, scheme or artifice, to defraud in connection with the sale or purchase of any security, directly or indirectly”.
19. By virtue of the foregoing, Respondents violated Sections 12.F, 12.G and 12.I Act and will violate them again if they make further offers, or if they make any sales of investment contracts or other securities described above in the State of Illinois.
20. The aforementioned findings are based upon credible evidence.
21. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the offer or sale of securities 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.
22. The entry of this Temporary Order of Prohibition prohibiting Respondents **Sean F. Mescall, a/k/a Sean F. Mescall, and Capital Street Financial, LLC**, their partners, members, officers and directors, agents, affiliates, successors and employees, from offering or selling securities 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.

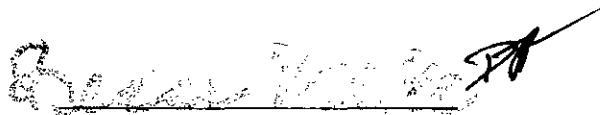
NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **Sean F. Mescal, a/k/a Sean F. Mescall, and Capital Street Financial, LLC**, their partners, members, officers and directors, agents, employees, affiliates, successors and assigns are Temporarily **Prohibited** from offering or selling securities in or from this State until the further Order of the Secretary of State.

NOTICE is hereby given that Respondents 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 sixty (60) days from the date the hearing request is received by the Department.

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 25<sup>th</sup> day of October 2010.



JESSE WHITE

Secretary of State  
State of Illinois

Attorney for the Secretary of State:

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Illinois Securities Department  
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