

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

IN THE MATTER OF:)	
ANTHONY A. JAMES and)	
JAMES ASSET ADVISORY, LLC.)	
their partners, members, officers and directors, agents,)	No. 0800331
employees, affiliates, successors and assigns.)	
)	

ORDER OF PROHIBITION

**TO RESPONDENTS: ANTHONY A. JAMES
6556 N.W. 127th Terrace
Parkland, Florida 33076
and
320 East Maple
#313
Birmingham, Michigan 48009**

**And
JAMES ASSET ADVISORY, LLC.
6556 N.W. 127th Terrace
Parkland, Florida 33076
and
101 West Big Beaver
14th Floor
Troy, Michigan 48084**

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on January 22, 2009 which prohibited Anthony A. James and James Asset Advisory, LLC, their partners, officers and directors, agents, employees, affiliates, successors and assigns (“Respondents”) from offering or selling securities in or from the State of Illinois until further order of the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the “Act”), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any acts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of

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said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the Temporary Order;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the Temporary Order as the Secretary of State's Findings of Fact as follows:

1. Respondent Anthony A. James (hereinafter "AJ" or collectively with James LLC, "Respondents") has last known addresses of 6556 N.W. 127th Terrace, Parkland, Florida 33076 and 320 East Maple, #313, Birmingham, Michigan 48009.
2. Respondent James Asset Advisory, LLC (hereinafter "James LLC" or collectively with AJ "Respondents") is a Michigan limited liability company with last known addresses of 6556 N.W. 127th Terrace, Parkland, Florida, 33076 and 101 West Big Beaver, 14th Floor, Troy, Michigan 48084.
3. Respondent AJ is the president and sole controlling member of Respondent James LLC.

FRAUD

4. Between November 2005 and December 2005 Respondent AJ solicited an Illinois resident ("Investor") to liquidate his other accounts and to invest in the stock and bond markets with Respondents AJ and James, LLC.
5. In February 2006 Investor (by means of a check in the amount of \$267,783 and a wire transfer in the amount of \$50,000) gave Respondents AJ and James LLC. \$317,783 ("Investment") for investment in the stock and bond markets.
6. In exchange for the Investment Respondents agreed to invest in stocks and bonds markets and to pay to Investor \$625 per month as a supplement to Investor's income.
7. Throughout 2007 Respondents confirmed to the Investor that his money was invested in stocks and bonds and provided periodic statements as evidence of the investments.
8. Between March 2006 and December 2007 Respondents sent monthly checks of \$625 to Investor.
9. Respondents provided Investor a statement for the period ending November 2007 which falsely represented a market value for Investor's account of \$340,893.

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10. In fact, Respondents never placed Investor's money in the stock and bond markets, but instead converted and used the money for their own personal and business purposes.
11. Respondents ran a "Ponzi scheme" in which they made monthly payments to Investor and others with money brought in through later "investors".
12. Respondents failed and refused to notify the Investors that they were converting the Investment to their own use and benefit, instead of using it to invest in stocks and bonds.
13. 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".
14. 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".
15. 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".
16. By virtue of the foregoing, Respondents violated Sections 12.F, 12.G and 12.I Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **Anthony A. James and James Asset Advisory, LLC**, and their partners, officers and directors, agents, employees, affiliates, successors and assigns, are **PROHIBITED** from rendering investment advice and from offering or selling securities in or from this State until the further Order of the Secretary of State.


NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony for each offence.

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This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Dated: This 1st day of April 2009.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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