

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

IN THE MATTER OF: ATTY F. BISWESE, and
BISWESE and ASSOCIATES.

)
) **FILE NO. 0400637**
)
)

ORDER OF PROHIBITION

TO RESPONDENTS

Atty F. Biswese
40 E. Roosevelt Road Unit 305
Chicago, Illinois 60605

Biswese and Associates
40 E. Roosevelt Road Unit 305
Chicago, Illinois 60605

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on December 16, 2004 which prohibited Atty F. Biswese, and Biswese and Associates (the "Respondents") from offering or selling securities in or from the State of Illinois until further order from 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 facts 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 said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order;

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

Counts I through III
Fraud In the Offer or Sale of Securities

1. Respondent, Atty F. Biswese, (hereinafter "Biswese," or collectively with Respondent Biswese and Associates, "Respondents") is a natural person. Respondent currently resides at 40 E. Roosevelt Road Unit 305, Chicago, Illinois. Respondent Biswese conducts business under the name of Biswese and Associates as well as Atty Biswese.
2. Respondent, Biswese and Associates or collectively with Respondent Biswese "Respondents") is located at 40 E. Roosevelt Road, Unit 305 Chicago, Illinois.
3. Respondent Biswese solicited more than one Illinois investor to enter in an agreement ("Investment Contract") in which their money would be invested in an equity portfolio managed by Respondent Biswese.
4. In or around February 2005, at least one Illinois Investor entered into the Investment Contract described in paragraph 3.
5. Despite Respondents' claims that the funds would be invested in an equity portfolio, Respondent Biswese diverted a significant amount of the investors' funds to his personal use.
6. Respondents on numerous occasions provided false statements regarding the net worth of the investments and the status of their funds.
7. One or more of the Illinois Investors requested to close out their account and have the proceeds remitted to them.
8. Respondents informed the investor that such a transaction was impossible, since the account was tied up in an arbitration claim. In fact, neither the investment accounts nor the Respondents were involved in any arbitration that would prohibit them from disbursing the investors' funds.
9. The Investment Contract referenced in paragraphs 3 and 4 is a security as defined in Section 2.1 of the Illinois Securities Law of 1953 [815 ILCS 5.1 et seq.] (The "Act").
10. The activities described in paragraphs 3 and 4 constitutes the offer and sale of a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Act.
11. Section 12.F of the Act provides 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.

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12. Section 12.G of the Act provides 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.
13. Section 12.I of the Act provides 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.
14. By virtue of the foregoing, Respondents have violated 12.F, 12.G and 12.I of the Act and will violate them again if he makes further offers, or if they make any sales, of the investment contract describe above in the State of Illinois.

Counts IV and V
Sale of Unregistered Securities

15. Section 5 of the Act provides, *inter alia*, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
16. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act, and as a result, the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
17. 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.
18. 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.
19. That by virtue of the foregoing, Respondents have violated Sections 12.A and 12.D of the Act.

Count VI
Failing to Register as an Investment Advisor

20. The Investment Contract described in paragraphs 3 and 4 above provided that Respondents would receive a fee for managing the portfolio.

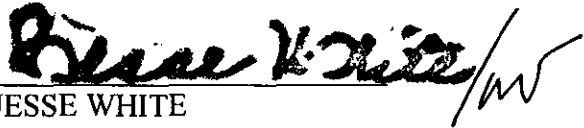
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21. At all relevant times, Respondent Biswese was not registered in the State of Illinois as an Investment Advisor or Investment Advisor Representative.
22. At all relevant times, Respondent Biswese and Associates was not and is not currently registered in the State of Illinois as an Investment Advisor or Investment Advisor Representative
23. Section 12.C of the Act provides, *inter alia*, that it shall be a violation for any person to act as a dealer, salesperson, investment advisor, or investment advisor representative, unless registered as such, where such registration is required under the provisions of the Act.
24. That by virtue of the foregoing, Respondents have violated Sections 12.C of the Act.

NOW THEREFORE IT IS HEREBY ORDERED: That pursuant to Section 11.F of the Act, Respondent, Atty F. Biswese and Respondent Biswese and Associates are hereby permanently PROHIBITED from offering or selling securities in or from the State of Illinois.

Dated: This 10th day of November 2005.


JESSE WHITE
Secretary of State
State of Illinois