

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

\_\_\_\_\_) )  
**IN THE MATTER OF: CENTURY FINANCIAL, INC.,)**  
**its officers, agents, affiliates, employees, successors )**  
**and assigns; and DEMONDO S. THOMAS, his agents )**  
**affiliates, employees, successors, and assigns; and )**  
**JAMES E. CASMAY, his agents, affiliates, employees, )**  
**successors, and assigns. )**  
\_\_\_\_\_) )

**FILE NO C0500200**

**ORDER OF PROHIBITION**

**TO THE RESPONDENT:** Century Financial  
1001 SW 96<sup>th</sup> Ave  
Pembroke Pines, FL 33025

Demondo S. Thomas  
2116 S. Foster  
Evanston, IL 60201

James E. Casmay  
1456 S. Halsted St  
Chicago, IL 60607

James E. Casmay  
C/o Elliot R. Zinger, Esq.  
10 South LaSalle Street  
Chicago, IL 60603

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on June 29, 2005 which prohibited Century Financial, Inc., its officers, agents, affiliates, employees, successors and assigns; and Demondo S. Thomas, his agents affiliates, employees, successors, and assigns; and James E. Casmay, his agents, affiliates, employees, successors, and assigns (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;

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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:

### **COUNT I**

#### **Sale of Unregistered Security by Unregistered Person**

1. Century Financial ("Respondent Century Financial" or collectively with Respondent Thomas and Respondent Casmay, "Respondents") is a business entity with a last known address of 1001 SW 96<sup>th</sup> Avenue, Pembroke Pines, Florida 33025.
2. Demondo S. Thomas ("Respondent Thomas" or collectively with Respondent Casmay and Respondent Century Financial, "Respondents"), is an individual with a last known address of 2116 S. Foster, Evanston, IL 60201.
3. James E. Casmay ("Respondent Casmay" or collectively with Respondent Thomas and Respondent Century Financial, "Respondents"), is an individual with a last known address of 1456 S. Halsted Street, Chicago, IL 60607.
4. Respondent Casmay was a registered representative with the Department from October 2001 through October 2002.
5. Beginning in or about December, 2002, Respondents Casmay and Thomas, purporting to be licensed investment representatives and operating out of a rented location on the premises of Uptown National Bank of Chicago ("Uptown Bank"), offered to one or more Illinois investors ("Investors") a certificate of deposit (the "CD") with Respondent Century Financial. Investors were either long-time customers or walk-in customers of the Uptown Bank and were casually referred by bank personnel to Respondents Casmay and Thomas.

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6. Respondent Century Financial, acting through Respondents Casmay and Thomas, sold CD's to Illinois Investors, representing that the CD was for a term of 3 ("three") years, would provide quarterly interest payments of 6%, and was federally insured under the FDIC.
7. Based on Respondents Casmay and Thomas recommendations of the CD and their representations, Investors gave checks to Respondents, made payable to Century Financial for investment in the CD.
8. The certificate of deposit referred to in paragraphs five through seven (5-7) is a security as defined in Section 2.1 of the Illinois Securities Law of 1953 [815 ILCS 5] ("the Act");
9. Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 of the Act, or those offered and sold in transactions exempt under Section 4 of the Act, shall be registered with the Secretary of State by filing the proper application prior to their offer or sale in or from the State of Illinois;
10. The activities detailed in paragraphs five through seven (5-7) constitute an offer and sale under Sections 2.5 and 2.5(a) of the Act;
11. Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell any securities 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 of the Act for any person to fail to file with the Secretary of State, Securities Department (the "Department") any required application, report or document;
13. At all times relevant hereto the securities referenced in paragraphs five through seven (5-7) were offered for sale at a time when this security did not have the proper application on file at the Department;
14. At all times relevant hereto Respondents failed to file an application for the registration of the securities described in paragraphs five through seven (5-7);
15. By virtue of the foregoing, Respondents have violated Section 12.A and Section 12.D of the Act;
16. Section 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, or investment adviser representative, unless registered as such, where such registration is required, under the provisions of the Act;

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17. That the activities described in paragraphs five through seven (5-7) are the activities of salespersons.
18. At all relevant times, Respondent Thomas and Respondent Casmay were not and are not registered as salespersons with the Department;
19. By virtue of the foregoing, Respondents Thomas and Casmay have violated Section 12.C of the Act;
20. 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 which the Secretary of State reasonably believes will occur as a result of a prior violation of the Act;
21. Based on the above-referenced evidence, the Secretary of State deems it necessary to temporarily prohibit the offer or sale of any and all securities issued or issuable by Respondents, their agents, employees and affiliates in the state of Illinois or to any Illinois resident to prevent an imminent violation of the Act; and
22. The entry of this Temporary Order prohibiting Respondents, their agents, employees and affiliates 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 of the Act.

**COUNT II**  
**Fraud and Deceit**

- 1-8. Paragraphs 1-8 of Count I are realleged and incorporated by reference as paragraphs 1-8 of this Count II as fully set forth herein.
9. Respondents Casmay and Thomas deposited the Investors' funds into a Century Financial business account at North Community Bank in Illinois of which Respondent Casmay was a signatory.
10. Respondents Casmay and Thomas then wired the Investors' funds, minus their commissions, to another Century Financial business account at Ocean Bank in Florida.
11. Notwithstanding Respondents' assurances that the 6% quarterly interest payments were "guaranteed" and the funds were "FDIC insured", the Investors only received a few of their quarterly interest payments until the payments abruptly stopped in or about April of 2004. Since then, the

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Investors have not received any further interest payments nor any return of their principal.

12. Section 12.F of the Act provides, inter alia, that it is a violation of the Act 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.
13. Respondents have violated Section 12.F of the Act in that they each:
  - a. Represented the CD to be a safe, secure, FDIC insured investment, guaranteeing the CD had a 6% quarterly return, without any due diligence into Century Financial or the CD.
  - b. Operated out of rented office space at Uptown Bank while failing to disclose to Investors that they were employees of Century Financial, not Uptown Bank.
  - c. Purported to be licensed investment representatives when in fact neither Casmay nor Thomas was registered to sell securities.
14. 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 which the Secretary of State reasonably believes will occur as a result of a prior violation of the Act;
15. Based on the above-referenced evidence, the Secretary of State deems it necessary to temporarily prohibit the offer or sale of any and all securities issued or issuable by Respondents, their agents, employees and affiliates in the state of Illinois or to any Illinois resident to prevent an imminent violation of the Act; and
16. The entry of this Temporary Order prohibiting Respondents, their agents, employees and affiliates 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 of the Act.


**COUNT III**

**Material Misstatement or Omission in Violation of 12.G**

- 1-11. Paragraphs 1-11 of Count II are realleged and incorporated by reference as paragraphs 1-11 of this Count III as fully set forth herein.
12. 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.
13. Respondents have violated Section 12.G of the Act in that they guaranteed a 6% quarterly return, but failed to disclose to Investors any of the risks involved with the purchase of this CD.
14. 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 which the Secretary of State reasonably believes will occur as a result of a prior violation of the Act;

**NOW THEREFORE IT IS HEREBY ORDERED:** That pursuant to Section 11.F of the Act, Respondents **Century Financial, Inc.**, its officers, agents, affiliates, employees, successors and assigns; **Demondo S. Thomas**, his agents, affiliates, employees, successors and assigns; and **James E. Casmay** his agents, affiliates, employees, successors and assigns are hereby permanently **PROHIBITED** from offering or selling securities in or from this State of Illinois.

Dated: This 14<sup>th</sup> day of November 2005.

  
JESSE WHITE  
Secretary of State  
State of Illinois

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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.

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 Illinois Securities Act (14 Ill. Admin. Code, Ch. I, 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.