

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

IN THE MATTER OF: TIMOTHY DUMA

)
) File No 1200316
)

TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENT: Timothy Duma
CRD #2204619
6300 Hobson Road
Downers Grove, IL 600516

Timothy Duma
CRD #2204619
419 York Street
Bolingbrook, IL 60440

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 finds Salesperson and Investment Adviser Representative activity, and False and Misleading statements made in the offer and sale of a security, and that security's Recommendation to a client.

1. That Respondent Timothy Duma ("Duma") is a natural person who resides at 6300 Hobson Road, Downers Grove, Illinois 60516.
2. That alternatively Duma resides at 419 York Street, Bolingbrook, Illinois 60440.
3. That Investor YM was an Illinois resident at the time of the events herein.
4. That in about November of 2008 Duma met Investor YM at a Chicago south-side senior social center in Illinois.
5. That when they met, Duma told Investor YM that he was a stockbroker and recommended that she invest \$25,000 in a company called Signal Oil and Gas, which he purported to sell to her.
6. That the activities described in paragraph five (5) above, constitute the activities of a Salesperson as that term is defined at Section 2.9 of the Act.

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- 7 That making recommendations or otherwise rendering advice concerning securities also constitutes the activities of an Investment Adviser Representative as defined at Section 2.12b of the Act
- 8 That the Department has searched its Records and the Department has found no record of Registration during 2008 for Respondent as a Salesperson or as an Investment Adviser Representative in the State of Illinois, in accordance with the registration requirements of the Act.
9. That in fact the Records revealed that on October 27, 2005 Respondent was permanently barred for life to act as a Salesperson, in Illinois or any other State, by the NASD (nka FINRA).
- 10 That Respondent was last registered in the State of Illinois as a Salesperson on August 8, 2005; and as an Investment Adviser Representative on August 21, 2003.
11. That Section 12.A of the Act provides 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. That 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. That in acting as a Salesperson in the State of Illinois without registration pursuant to Section 8 of the Act, Respondent Duma violated Sections 12 A and 12.D of the Act.
14. That in acting as an Investment Adviser Representative without registration pursuant to Section 8 of the Act, Respondent Duma violated Section 12.D of the Act
- 15 That furthermore Respondent made false and misleading statements in making the above sale to YM.
 - a. Respondent promised large quarterly returns on Investor YM's investment, but all she received was a bounced check.
 - b. When Investor YM asked for her money back, she was told that she'd have to wait three years.
 - c. Respondent omitted to state that he was not currently registered as a Salesperson in the State of Illinois, as he was required to be to sell to an Illinois resident.

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16. That Section 12.F of the Act provides that it shall be a violation of the provisions of this 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. That Section 12.G of the Act provides that it shall be a violation of the provisions of this 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. That Section 12.I of the Act provides that it shall be a violation of the provisions of this 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. That Section 12 J of the Act provides *inter alia* that when acting as an Investment Adviser Representative by any means or instrumentality, directly or indirectly, it shall be a violation of the Act for any person:
 - a. To employ any device, scheme or artifice to defraud any client or prospective client; or
 - b. To engage in any transaction, practice or course of business which operates as a fraud or deceit upon any client or prospective client.
20. That by virtue of the foregoing Paragraph 15, Respondent Duma violated Sections 12 F, G, I and J of the Act.
21. That Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the offer or sale of securities, or acting in the business of rendering investment advice, 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. That the entry of this Temporary Order prohibits Respondent from offering or selling securities in the State of Illinois, AND from acting in the business of rendering investment advice in the State of Illinois for a period of ninety (90) Days from the date of this Order
23. That the entry of this Temporary Order prohibits Respondent from offering or selling securities AND from acting in the business of rendering investment advice 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

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NOW THEREFORE IT IS HEREBY ORDERED THAT: Pursuant to the authority granted by Section 11.F of the Act, Respondent Timothy Duma is Temporarily PROHIBITED from offering or selling, or dealing in securities, AND from acting in the business of rendering investment advice, in the State of Illinois for a maximum period of ninety (90) days.

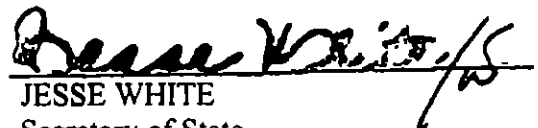
NOTICE is hereby given that Respondent may request a hearing on this matter by transmitting such request in writing to:

Cheryl Goss Weiss
Enforcement Attorney
Illinois Securities Department
Office of the Secretary of State
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.

FAILURE OF 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 18th day of July 2013.


JESSE WHITE
Secretary of State
State of Illinois

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