

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF:

KADESHA KIRKMAN, BRENDA SMITH,

LOCKHART and ROSENBURGH, INC.

and

CREATIVE INVESTMENT STRATEGIES, INC.,

RESPONDENTS.

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) File No. 1600733
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TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTS:

Kadesha Kirkman
20180 Governors Hwy, Suite 210
Olympia Fields, IL 60461

Kadesha Kirkman
17138 Constance Ave.
South Holland, IL 60473

Lockhart and Rosenburgh, Inc.
c/o Kadesha Kirkman, Agent
20180 Governors Hwy., Suite 210
Olympia Fields, IL 60461

Creative Investment Strategies, Inc.
c/o Kadesha Kirkman, President
4440 W. Lincoln Highway, Suite 203
Matteson, IL 60443

Creative Investment Strategies, Inc.
c/o Brenda Smith, Agent
500 N. Michigan Ave., Suite 300
Chicago, IL 60611

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Brenda Smith
2000 Governors Drive, Suite 104
Olympia Fields, IL 60461

Brenda Smith
17484 Park Lane
Country Club Hills, IL 60478

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 Kadesha Kirkman, ("Respondent Kirkman") is an individual with a last known business address of 20180 Governors Hwy., Suite 210, Olympia Fields, IL 60461.
2. Respondent Kirkman's last known residential address is 17138 Constance Ave. South Holland, IL 60473.
3. Respondent Brenda Smith ("Respondent Smith") is an individual with a last known business address of 2000 Governors Drive, Suite 104, Olympia Fields, IL 60461.
4. Respondent Smith's last known residential address is 17484 Park Lane Country Club Hills, IL 60478.
5. Respondent Lockhart and Rosenberg, Inc., ("Respondent Lockhart and Rosenberg") is an Illinois corporation with a current status of "active" and has a last known address of 20180 Governors Hwy, Suite 210 Olympia Field, IL 60461. K. Kirkman is listed as the Registered Agent. Brenda Smith is listed as the President and Secretary.
6. Respondent Creative Investment Strategies, Inc ("Respondent Creative Investment") is an Illinois corporation with a current status of "dissolved" and has a last known address of 500 N. Michigan Ave., Suite 300, Chicago IL 60611. Brenda Y. Smith is listed as the Registered Agent. K. Kirkman is listed as the President.
7. On or about April 18, 2014, Respondent Kirkman solicited and induced at least one Illinois resident ("Investor") to pay \$89,711.60 for a promissory note ("Note #1").
8. Note #1 is dated April 18, 2014, signed by Respondent Kirkman (as "Borrower"), on behalf of Respondent Lockhart and Rosenberg, and Investor (as "Mortgagor") and provides in part:

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("Borrower") promises to pay... the principal amount of Eighty Nine Thousand Seven Hundred Eleven, Dollars and Sixty cent (\$89,711.60), together with interest at the rate of 15% per annum on the unpaid balance from April 17, 2017, until paid in full. Minimum interest to be paid is 15% per annum on the unpaid balance or \$40,370.22 which ever [sic] is greater due with annual interest payments due every April 17 until the end of the note.

9. Note #1 provides "Borrower will pay this loan in full at the 36 month term and is [d]ue on April 17, 2017 and will be for all principal and all accrued interest not yet paid."
10. On or about December 28, 2015, Respondent Kirkman solicited and induced Investor to pay \$32,000 for a promissory note ("Note #2").
11. Note #2 is dated December 28, 2015, signed by Respondent Kirkman (as "Borrower"), on behalf of Respondent Lockhart and Rosenburg, and Investor (as "Mortgagor") and provides in part:

[Respondent] Lockhart and Rosenburg, Inc ("Borrower") promises to pay to [Investor] ("Lender")...the principal amount of Thirty Two Thousand, Dollars (\$32,000), together with interest at the rate of 12% per annum on the unpaid balance from December 28, 2015, until paid in full. Minimum interest to be paid is 12% per annum on the unpaid balance or \$3,840.00.

12. Note #2 provides "Borrower will pay this loan in full at the 6 month two week term and is [d]ue on June 28, 2016 and will be for all principal and all accrued interest not yet paid."
13. On or about March 25, 2016, Respondent Kirkman solicited and induced Investor to pay \$75,000 for a promissory note ("Note #3")
14. Note #3 is dated March 25, 2016, signed by Respondent Kirkman (as "Borrower"), on behalf of Respondent Lockhart and Rosenburg, and Investor (as "Mortgagor") and provides in part:

("Borrower") promises to pay to [Investor] ("Lender")...the principal amount of Seventy Five Thousand, Dollars (\$75,000), together with interest at the rate of 26% per annum on the unpaid balance from March 25, 2016, until paid in full. Minimum interest to be paid is 26% per annum on the unpaid balance or \$19,500 which ever [sic] is greater with Quarterly Interest payments due 3 months from date of note.

15. Note #3 provides "Borrower will pay this loan in full at the 12 month term and is [d]ue on March 25, 2017 and will be for all principal and all accrued interest not yet paid "

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16. On or about June 28, 2016, Respondent Kirkman solicited and induced Investor to sign a promissory note for \$32,000 ("Note #4") because Note #2 was becoming due and Respondents lacked the funds to repay Investor according to the terms of the note.
17. Note #4 is dated June 28, 2016, signed by Respondent Kirkman (as "Borrower"), on behalf of Respondent Lockhart and Rosenberg, and Investor (as "Mortgagor") and provides in part:

("Borrower") promises to pay to [Investor] ("Lender")...the principal amount of Thirty Two Thousand Dollars (\$32,000), together with interest at the rate of 12% per annum on the unpaid balance from June 28, 2016, until paid in full. Minimum interest to be paid is 12% per annum on the unpaid balance or \$3,840.00 .
18. Note #4 provides "Borrower will pay this loan in full at the 6 month two week term and is [d]ue on December 28, 2016, 2017 and will be for all principal and all accrued interest not yet paid".
19. Notes #1, 2, 3 and 4 provide that "[a]ny warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter" shall constitute an event of default.

FAILURE TO REGISTER SECURITIES

20. Respondents' activities described above involve the offer and sale of securities as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] ("Act").
21. Section 5 of the Act provides, *inter alia*, "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."
22. Respondents failed to file an application for the aforementioned promissory notes with the Illinois Securities Department and as a result the promissory notes were not registered as such prior to their offer and sale in the State of Illinois.
23. Section 12.A of the Act provides, *inter alia*, it shall be a violation of any person to offer or sell any security except in accordance with the provisions of the Act.

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24. Section 12.D of the Act provides, *inter alia*, it shall be a violation for any person “[t]o fail to file with the Secretary of State any application, report or document, required to be filed under the provisions of this Act or any rule or regulation made by the Secretary of State pursuant to this Act ...”
25. Pursuant to the foregoing, Respondents violated Sections 12.A and 12.D of the Act.

FRAUD AND DECEIT

26. On or about March 3, 2010, Respondent Kirkman filed for individual bankruptcy. Respondents failed to inform Investor of the bankruptcy filing.
27. In or about May 2010, Respondents Kirkman, Smith and Creative Investment had civil judgments entered against them. Respondents failed to inform Investor of the civil judgments.
28. In or about May 2009, Respondent Kirkman had a judgment entered against him. Respondents failed to inform Investor of the judgment.
29. Respondents defaulted on the promissory notes when Respondents failed to inform Investor of the bankruptcy and judgments referred to herein.
30. On or about April 1, 2016, Respondents made one “Quarterly Int[erest] Payment” in the amount of \$4, 875.00 and one “Quarterly Int[erest] Payment” in the amount of \$1920.00.
31. In spite of numerous attempts by Investor to achieve repayment on either the principal of either note or the corresponding interest on those notes, Respondents have failed to make any payments other than the payments referred to in paragraph 28 above.
32. Section 12.F of the Act provides, *inter alia*, it shall be a violation of the Act for any person “[t]o 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.”
33. Section 12.G of the Act provides, *inter alia*, it shall be a violation of the Act for any person “[t]o 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 the light of the circumstances under which they were made, not misleading.”

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34. Section 12.I of the Act provides, *inter alia*, it shall be a violation of the Act for any person, "[t]o employ any device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly."
35. Respondents' actions, as stated herein, violated Sections 12.F, 12.G and 12.I of the Act.

PROHIBITION

36. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit or suspend, for a maximum period of 90 days, by an order effective immediately, the offer, sale or registration of securities by any person, if the Secretary of State shall in his or her opinion, based on credible evidence, deem it necessary to prevent an imminent violation of this Act or to prevent losses to investors which the Secretary of State reasonably believes will occur as a result of a prior violation of this Act.
37. The entry of this Temporary Order of Prohibition ("Temporary Order") prohibiting Respondents 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.
38. The aforementioned findings are based upon credible evidence.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents Kirkman, Smith, Lockhart and Rosenburgh, Inc. and Creative Investment Strategies, Inc. and their partners, officers and directors, agents, employees, members, affiliate, successors and assigns are temporarily PROHIBITED from offering, selling or registering 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 W. Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of the entry of the Temporary Order. 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 and will extend the effectiveness of this Temporary Order for sixty (60) days from the date the hearing request is received by the Department.

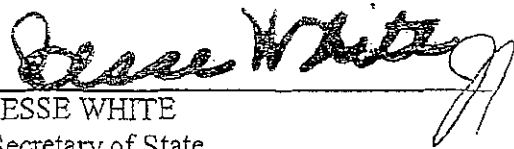
FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND

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SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This 23rd day of September 2016.



JESSE WHITE
Secretary of State
State of Illinois

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