

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

IN THE MATTER OF:)

KHORRAM CHAUDHRY)

File Number: 1600359

TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENT: Khorram Chaudhry
3360 N Lake Shore Drive, Apt. 2701A
Chicago, IL 60613
Sent certified mail and to email corum713@yahoo.com

Khorram Chaudhry
1800 W Grace Street, Apt 113
Chicago, IL 60613

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, Callhan F. Garrett, Esq., who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

**FAILURE TO RESPOND TO ILLINOIS SECURITIES DEPARTMENT SUBPOENA
DUCES TECUM**

1. Khorram Chaudhry ("Respondent") is an individual with the last known address of 3360 N Lake Shore Drive, Apt. 2701A, Chicago, IL 60613 or 1800 W Grace Street, Apt 113, Chicago, IL 60613.
2. Respondent acted as a broker and recommended Victim A (hereinafter referenced as "PK") invest \$50,000 in an entity called "Florida Funding," which is not registered in Florida or Illinois.
3. A Subpoena Duces Tecum was mailed, certified mail, by the Department on July 19, 2016 to Respondent, and due August 8, 2016.
4. On August 8, 2016, Respondent called the Department to say he received the Subpoena Duces Tecum, but did not know how to answer it because he simply acted as a broker for PK's investment in Florida Funding and recommended it, and is not a manager or

they were attempting to send a check to PK to return his investment and would update the Department when that occurred, but never did.

5. Consequently later on August 8, 2016, the Department postponed the subpoena to see if PK received his investment back from Florida Funding.
6. On August 18, 2016, the Department emailed Respondent for an update, and the Respondent said PK's investment was not returned by Florida Funding to his knowledge.
7. Consequently later on August 18, 2016, the Department required the Subpoena Duces Tecum be due August 29, 2016.
8. Respondent again promised to update the Department, this time on August 23, 2016, but never did.
9. The Department has not received a response to the Subpoena Duces Tecum with an extended due date August 29, 2016.
10. On August 30, 2016, a second Subpoena Duces Tecum (the "Second Subpoena Duces Tecum") with additional information requested was mailed to Respondent with a due date of September 9, 2016.
11. On August 30, 2016, the Department also emailed the Second Subpoena Duces Tecum, and stated, "The Department does not waive the right to bring an action for your noncompliance to that subpoena, and in addition, has drafted a second subpoena for your response. **BOTH SUBPOENAS ARE STILL REQUIRED TO BE ANSWERED.** If you do not have information as requested, or are not a member of an entity, you must state so in response to your subpoena."
12. One September 9, 2016, Respondent emailed the Department stating he received the Second Subpoena Duces Tecum with additional information requested and would respond to it.
13. The Department has not received a response to the Second Subpoena Duces Tecum with a due date of September 9, 2016.
14. Both Subpoena Duces Tecums was issued pursuant to Section 11.D(1) of the Illinois Securities law of 1953 (815 ILCS 5/1 et. seq.) (the "Act").
15. Section 11.D of the Act states, inter alia, that the Secretary of State or a person designated by him or her may require by subpoena the production of any books and records, papers, or other documents which the Secretary of State or a person designated by him or her deems relevant or material to the inquiry.
16. Respondent failed to produce any of the documents requested by the due date, or any day thereafter, that were subpoenaed by the Department pursuant to the authority granted under Section 11.D(1) of the Act.

17. By virtue of the foregoing, Respondent's failure to respond to the subpoenas by the due date impeded designees of the Secretary of State from conducting an investigation under Section 11.D (1) of the Act.

PROHIBITION

1. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the business of rendering investment advice, and 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 that will occur as a result of prior violations of the Act.
2. The entry of this **Order** temporarily prohibiting **RESPONDENT KHORRAM CHAUDHRY** from:
 - a. offering and selling securities in or from the State of Illinois, and;
 - b. engaging in the business of an investment advisor representative;is in the public interest and for the protection of the investing public.
3. 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,

1. **RESPONDENT KHORRAM CHAUDHRY** is **TEMPORARILY PROHIBITED** from offering or selling securities in or from the State of Illinois for a period of ninety (90) days; and
2. **RESPONDENT KHORRAM CHAUDHRY** is **TEMPORARILY PROHIBITED** from engaging in the business of rendering investment advice in or from the State of Illinois for a period of ninety (90) days; and

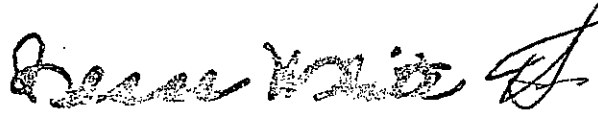
NOTICE is hereby given that Respondent may request a hearing on this matter by transmitting such request in writing to:

Callhan F. Garrett
Enforcement Attorney
Illinois Securities Department
Office of the Secretary of State
69 West Washington Street, Suite 1220
Chicago, Illinois 60602
Phone: (312) 793-3384

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 12th day of October 2016.

A handwritten signature in cursive script, appearing to read "Jesse White", with a stylized flourish at the end. The signature is written in black ink on a white background.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

Callhan F. Garrett
Enforcement Attorney
Illinois Securities Department
Office of the Secretary of State
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