

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF:)
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KHORRAM CHAUDHRY)
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File Number: 1600359

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

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

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on October 12, 2016 which temporarily prohibited Respondent **Khorram Chaudhry** from offering or selling securities and rendering investment advice in or from the State of Illinois until further order of 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 Respondent has 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 Respondent is hereby deemed to have admitted the facts alleged in the Temporary Order;

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

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 Florida Funding, LLC, an Indiana limited liability company.
3. A Subpoena Duces Tecum (the "First 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, LLC and recommended it, and is not a manager or member of the company. Respondent further asserted Florida Funding had informed him 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, LLC 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") (and collectively, the "Subpoenas") with additional information requested, in response to the information Respondent provided over the phone August 8, 2016, 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. On September 9, 2016, Respondent emailed the Department stating he received the Second Subpoena Duces Tecum with additional information requested and would respond to it.

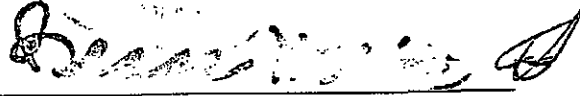
13. The Department has not received a response to the Second Subpoena Duces Tecum with a due date of September 9, 2016.
14. Consequently on October 12, 2016, the Department emailed and mailed via certified mail, return receipt Respondent a Temporary Order of Prohibition (the "TOP") for failure to Respond to the Subpoenas.
15. On November 18, 2016, the Department emailed and left a voicemail informing Respondent that it would make the TOP an Order of Prohibition if it did not receive a response to the Subpoenas by November 21, 2016.
16. Later on November 18, 2016, Respondent responded to the email, acknowledging receipt.
17. On December 2, 2016, the Department emailed Respondent for an update, but none was provided.
18. Both Subpoenas were issued pursuant to Section 11.D(1) of the Illinois Securities law of 1953 (815 ILCS 5/1 et. seq.) (the "Act").
19. 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.
20. 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.
21. 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.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent **Khorram Chaudhry** is **PROHIBITED** from rendering investment advice and from offering or selling securities in or from this State until the further Order of the Secretary of State.

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 for each offence.

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 Act (14 Ill. Admin. Code, Ch. 1 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.

Dated this 8th day of December 2016.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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