

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

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<b>IN THE MATTER OF:</b>	)	
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	)	
<b>Howard Richmond</b>	)	<b>File Number: 0900524</b>
	)	

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**ORDER OF PROHIBITION**

**TO RESPONDENTS:**       Howard Richmond  
                                  4054 Fox Valley Center Drive  
                                  Aurora, Illinois 60504

WHEREAS, a Temporary Order of Prohibition was issued by the Illinois Secretary of State, on May 19, 2010, temporarily prohibiting the Respondent from offering or selling securities in the State of Illinois until further order from the Secretary of State.

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 a 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 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 Final Findings of Fact as follows:

**I. FRAUD**

1. Respondent Howard Richmond ("Richmond") is a natural person with the last known business address of 4054 Fox Valley Center Drive, Aurora, Illinois.
  
2. Beginning in 2006, Respondent directly sold and offered to sell securities in the form of investment contracts and notes to the general public, including residents of the State of Illinois ("Investors").

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3. Respondent sold notes and investment contracts to over thirty five (35) unaccredited and unsophisticated investors in the State of Illinois, including senior citizens.
4. Respondent touted the investment as a short term investment, stating that the investment was supported by Dr. Creflo A. Dollar and the Creflo Dollar Ministerial Association, a televangelist organization known for its prosperity theology.
5. Respondent represented to investors that he needed the funds for a short period of time and demonstrated his ability to re-pay the investors by showing them bank statements in his name that contained funds of over Fifty Million Dollars.
6. Respondent represented to investors that they would receive a return on their money; the amount of interest promised spanned an improbable range of return from 25% to over a 1000% of the original investment.
7. Respondent induced the investors to give him cash, use their personal credit cards and savings accounts, including retirement accounts totaling over \$500,000.00 dollars
8. Respondent was aware that multiple investors were enduring financial hardships as a result of investment, including filing for bankruptcy.
9. Respondent used his role as Reverend to approach congregants and other investors asking for them to trust him to multiply their return on this investment.
10. To date, Illinois investors have not received any return on their investments and the respondent has failed to have their investment returned or any accounting of investment.
11. The activities described above constitute the offer and sale of a investment contract and note, and therefore a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5/1 *et. seq.*] (the "Act").
12. Section 12.G of the Act states 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." 815 ILCS 5/12.G.
13. By virtue of this foregoing conduct, Respondents violated Sections 12.G of the Act.

### **II. FAILURE TO REGISTER SECURITIES**

- 1-11. Paragraphs 1-11 are re-alleged and incorporated by reference.

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12. The activities described above constitute the offer and sale of a Stock and therefore a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5/1 *et. seq.*] (the "Act").
13. Section 5 of the Act provides, *inter alia*, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 "shall be registered either by coordination or by qualification prior . . . to their offer or sale" in the State of Illinois.
14. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and, as a result, the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
15. Section 12.A of the Act provides, *inter alia*, that it shall be a violation for any person "to offer or sell any security except in accordance with the provisions of the Act."
16. 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."
17. By virtue of the foregoing, Respondent violated Sections 12.A and 12.D of the Act

**Count III**

**UNREGISTERED DEALER/SALESPERSON**

- 1-11. Paragraphs 1-11 are re-alleged and incorporated by reference.
12. Through the conduct described in paragraphs three (3) through eight (8), the respondent acted as a dealer and/or salesperson for the sale of Stock, Notes and investment contracts to investors.
13. That 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 unless registered such, where such registration is required under this Act.
14. That at all relevant times, the respondents were not registered as a dealer and/or salesperson under the Act.
15. That by acting as a salesperson and/or dealer and an investment advisor and/ or investment advisor in the State of Illinois, without being registered as such, respondent violated section 12.C of the Act.

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16. The aforementioned findings are based upon credible evidence.

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

Respondent violated Sections 12.A, 12.C 12.D, and 12.G of the Act.

NOW THEREFORE IT IS HEREBY ORDERED: That pursuant to Section 11.F of the Act, the Respondent, Howard Richmond **shall be and is hereby permanently PROHIBITED** from offering or selling any securities in or from the State of Illinois.

Dated: This 16<sup>th</sup> day of July 2010.

  
JESSE WHITE  
Secretary of State  
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the 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, Section 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.

Attorney for the Secretary of State:  
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