



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
RICHARD C. RENSHAW;)
d/b/a INNOVATIVE FINANCIAL SOLUTIONS)
and d/b/a IFS ADVISOR; and)
INVESTORS UNLIMITED, LLC,) Case No.: AP-17-21
)
Respondents.)

CONSENT ORDER

SUMMARY OF ENFORCEMENT SECTION'S ALLEGATIONS

1. The Enforcement Section of the Missouri Securities Division of the Office of Secretary of State ("Enforcement Section"), through Enforcement Counsel Claire Noland, has alleged that Richard Renshaw; d/b/a Innovative Financial Solutions; and d/b/a IFS Advisor; and Investors Unlimited, LLC ("Respondents"), sold unregistered securities; acted as an unregistered agent; employed or associated with an unregistered agent; and/or omitted stating material facts or engaged in an act, practice, or course of business that would operate as fraud or deceit upon another person in connection with the offer or sale of a security, in violation of Sections 409.3-301, 409.4-402(a), 409.4-402(d), and 409.5-501, RSMo (2016)¹, and that these violations constitute grounds to issue an order pursuant to Section 409.6-604.
2. Respondents and the Enforcement Section desire to settle the allegations and the matters raised by the Enforcement Section relating to the Respondents' alleged violations of Sections 409.3-301, 409.4-402, and 409.5-501.

CONSENT TO JURISDICTION

3. Respondents and the Enforcement Section stipulate and agree that the Missouri Commissioner of Securities ("Commissioner") has jurisdiction over the Respondents and these matters pursuant to the Missouri Securities Act of 2003, Chapter 409, *et seq.*

¹ Unless otherwise specified, all statutory references are to the 2016 Revised Statutes of Missouri.

4. Respondents and the Enforcement Section stipulate and agree that the Commissioner has authority to enter this Order pursuant to Section 409.6-604(h), which provides:
“The commissioner is authorized to issue administrative consent orders in the settlement of any proceeding in the public interest under this act.”

WAIVER AND EXCEPTION

5. Respondents waive Respondents’ right to a hearing with respect to this matter.
6. Respondents waive any right that Respondents may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order. Respondents specifically forever release and hold harmless the Missouri Office of Secretary of State, Secretary of State, Commissioner, and their respective representatives and agents from any and all liability and claims arising out of, pertaining to, or relating to this matter.
7. Respondents stipulate and agree with the Enforcement Section that, should the facts contained herein prove to be false or incomplete in a material way, the Enforcement Section reserves the right to pursue any and all legal or administrative remedies at its disposal.

CONSENT TO COMMISSIONER’S ORDER

8. Respondents and the Enforcement Section stipulate and agree to the issuance of this Consent Order without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein.
9. Respondents agree not to take any action or to make or permit to be made any public statement creating the impression that this Order is without factual basis. Nothing in this paragraph affects Respondents’ (a) testimonial obligations; (b) right to take legal or factual positions in connection with litigation, arbitration, or other legal proceeding in which the Commissioner is not a party; or (c) right to make public statements that are factual.
10. Respondents agree that Respondents are not the prevailing party in this action since the parties have reached a good faith settlement.
11. Respondents neither admit nor deny the allegations made by the Enforcement Section, but consent to the Commissioner’s Findings of Fact, Conclusions of Law, and Order as set forth below solely for the purposes of resolving this proceeding and any proceeding that may be brought to enforce the terms of this Consent Order.

COMMISSIONER’S FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

I. FINDINGS OF FACT

12. Richard C. Renshaw (“Renshaw”) is a 56 year-old resident of Missouri, who resides at 633 Lakeview Road, Lake St. Louis, Missouri 63367. Renshaw is registered through Central Registration Depository (“CRD”) with number 1113955 and was a registered broker-dealer agent in the state of Missouri from January 1984 through November 2010. Renshaw is currently registered as a producer with the Missouri Department of Insurance, with license number 189649.
13. Investors Unlimited, LLC (“Investors Unlimited”) is a Missouri corporation that was incorporated on May 5, 2013. Renshaw is the registered agent for Investors Unlimited, with a last known mailing address of 633 Lakeview Road, Lake St. Louis, Missouri 63367.
14. Innovative Financial Solutions (“Innovative”) is a Missouri Fictitious Name registration that was filed on December 15, 2012. Renshaw is the owner of the registration with a last known mailing address of 633 Lakeview Road, Lake St. Louis, Missouri 63367.
15. IFS Advisor is a Missouri Fictitious Name registration that was filed on December 27, 2012. Renshaw is the owner of the registration with a last known mailing address of 633 Lakeview Road, Lake St. Louis, Missouri 63367.
16. A check of the records maintained by the Commissioner indicates that at all times relevant, Respondents were not registered or exempt from registration with the state of Missouri as a broker-dealer or agent.
17. JCS Enterprises, Inc. d/b/a JCS Enterprises Services, Inc. (“JCS”) was incorporated in Delaware in 2010 and registered as a foreign corporation in Florida in 2011. JCS was owned by Joseph and Laura Signore and has a last known address of 15132 Park of Commerce Boulevard, Suite 102, Jupiter, Florida 33478. A check of the records maintained by the Commissioner indicates that at all times relevant, there was no registration, granted exemption, or notice filing indicating status as a “federal covered security” for any securities issued by JCS.
18. T.B.T.I., Inc. (“TBTI”) was a Florida corporation formed in 2001 by Paul Lewis Schumack, II, with its last known location in Highland Beach and/or Boca Raton, Florida. A check of the records maintained by the Commissioner indicates that at all times relevant, there was no registration, granted exemption, or notice filing indicating status as a “federal covered security” for any securities issued by TBTI.
19. Paul Lewis Schumack II (“Schumack”) is currently incarcerated at the Federal Correctional Institution located at 805 Fox Hollow Road, Manchester, Kentucky 40962 and has a release date of May 19, 2026.
20. Joseph Signore (“Signore”) is currently incarcerated at the Federal Medical Center located at 3301 Leestown Road, Lexington, Kentucky 40511 and has a release date of April 22, 2033.

21. Laura Grande-Signore ("Grande-Signore"), is currently incarcerated at the Federal Correctional Institution Coleman Medium located at 846 NE 54th Terrace, Sumterville, Florida 33521 and has a release date of April 19, 2022. Grande-Signore is the wife of Signore.

A. Virtual Concierge Machines

22. Renshaw first learned about the opportunity to invest with JCS and TBTI from a friend, in early 2013.
23. On or about March 31, 2013, Schumack contacted Renshaw by email about purchasing a Virtual Concierge Machine ("VCM"). A VCM was similar to an ATM, which was used for advertisement and production of printable coupons. Schumack's email signature stated he had graduated from West Point Military Academy in 1979, and contained the Bible verse from 1 Corinthians 10:31, "Whatever you do, do it for the glory of God." Renshaw expressed interest in placing a VCM in either St. Louis, St. Charles, Lake of the Ozarks or Kansas City, Missouri. Renshaw had multiple discussions with Schumack at TBTI prior to investing.
24. Solicitation materials provided by JCS and TBTI claimed that profits produced from the VCMs were from advertising revenue, convenience fees, pre-paid services, bill pay services and manufacturers' couponing programs.
25. Renshaw first invested with JCS and TBTI in April of 2013 by purchasing 10 VCMs for a total of \$27,500. The agreement was that he would receive \$300 a month in "royalties" for the next 48 months for each of the units purchased.
26. After Renshaw started to receive payments from his investment with JCS and TBTI, he began making subsequent investments with JCS and TBTI by purchasing more VCMs.
27. In July 2013, after multiple investments in JCS and TBTI, Renshaw signed a commission agreement with TBTI to become a producer. The agreement stated that Renshaw was to receive compensation for all the contracts he sent them and for any contracts sent to JCS and TBTI by any "producers" that Renshaw had recruited to TBTI. Renshaw was to receive \$450 for each VCM purchased, which was 10% of the purchase price.
28. After Renshaw became a producer for TBTI, he began recruiting other producers and soliciting his friends, relatives, and insurance clients to invest in JCS and TBTI. Renshaw eventually recruited a total of five producers.
29. Renshaw received the commission payments from TBTI for the producers he had recruited, and then sent those commissions out to the producers via a check from Renshaw's business bank accounts. Monthly payments to purchasers of VCMs were sent directly to the buyers from JCS and TBTI.

30. When Renshaw received his commission check from TBTI in October 2013, he was instructed by TBTI not to cash the check because there was a hold on it, due to TBTI, allegedly, changing banks. It was during this time that Renshaw learned JCS and TBTI were under investigation by multiple federal authorities.
31. In total, from April 2013 through September 2013, Renshaw solicited more than \$2 million in investments for JCS and TBTI, from at least 63 investors, 42 of which were Missouri residents.
32. Renshaw failed to inform investors that neither he, nor the securities he sold were registered with the state of Missouri.

B. Criminal Actions

33. On or about April 7, 2014, a criminal complaint was filed against Signore and Schumack for acts of mail fraud, wire fraud, and conspiracy to commit mail and wire fraud in violation of 18 U.S.C. §§ 1341, 1343, 1349 from December 2011 through March 2014. *See United States v. Joseph Signore and Paul Lewis Schumack II*, No.14-8154-DLB (Brannon, D.) (Florida Southern District, filed April 4, 2014).
34. On or about May 8, 2014, a federal grand jury returned a 34-count indictment against Signore, Schumack, Grande-Signore, and one other defendant, in connection with their roles in the fraudulent activities of JCS and TBTI. *United States of America v. Signore et al*, No. 9:14-cr-80081-DTKH (Florida Southern District, filed May 8, 2014).
35. On or about March 14, 2016, Signore was adjudicated guilty of one count conspiracy to commit wire or mail fraud in violation of 18 U.S.C. §§ 1349, 1341, and 1343; 14 counts mail fraud in violation of § 1341; nine counts wire fraud in violation of § 1343; one count conspiracy to commit money laundering in violation of § 1956(h); one count promotion money laundering in violation of § 1965(a)(1)(A)(i); three counts concealment money laundering in violation of § 1956(a)(1)(B)(i); and three counts transactional money laundering in violation of § 1957(a) and (b)(1). Signore was sentenced to a total term of 240 months in prison and is jointly and severally liable for \$31,080,698.73 in restitution along with Grande-Signore and Schumack. *See United States v. Joseph Signore*, No. 14-80081 (Hurley, D.) (Florida Southern District, filed March 23, 2016).
36. On or about March 16, 2016, Grande-Signore was adjudicated guilty of one count conspiracy to commit mail and wire fraud in violation of 18 U.S.C. § 1349, 1341, and 1343, one count mail fraud in violation of § 1341, two counts wire fraud in violation of § 1342, one count conspiracy to commit money laundering (concealment) in violation of 1956(h), and two counts concealment money laundering in violation of § 1956(a)(1)(B)(i). Grande-Signore was sentenced to a total term of 84 months in prison. Grande-Signore is joint and severally liable for \$31,080,698.73 in restitution along with Signore and Schumack. *See United States v. Laura Grande-Signore*, No. 14-80081 (Hurley, D.) (Florida Southern District, filed March 28, 2016).

37. On or about March 17, 2016, Schumack was adjudicated guilty of one count conspiracy to commit wire fraud and mail fraud in violation of 18 U.S.C. § 1349, eleven counts mail fraud in violation of § 1341, six counts wire fraud in violation of § 1343, one count conspiracy to commit money laundering in violation of § 1956(h), two counts concealment of money laundering in violation of § 1956(a)(1)(B)(i), and one count transactional money laundering in violation of § 1957. Schumack was sentenced to a total term of 144 months and is jointly and severally liable for \$31,080,698.73 in restitution along with Grande-Signore and Signore. *See United States v. Paul Lewis Schumack*, No. 14-80081 (Hurley, D.) (Florida Southern District, filed March 30, 2016).

C. Civil Actions

38. On or around April 7, 2014, the SEC filed a civil action (hereinafter “civil complaint”) against Respondents, therein, alleging sale of unregistered securities in violation of Sections 5(a) and 5(c) of the Securities Act of 1933,² fraud in the offer or sale of securities in violation of section 17(a)(1)-(3), and fraud in violation of section 10(b) and Rule 10b-5(b) of the Securities Exchange Act (“Exchange Act”).³ *See Securities and Exchange Commission v. JCS Enterprises, Inc., d/b/a JCS Enterprises Services, Inc., T.B.T.I. Inc., Joseph Signore, and Paul L. Schumack, II*, Civil Action No. 14-80468 (Middlebrooks, D.) (Southern District of Florida, filed April 7, 2014).
39. The SEC alleged in the civil complaint that:
- a. Signore, Schumack, JCS, and TBTI falsely promised hundreds of investors nationwide that their funds would be used to purchase ATM-like machines that businesses could use to advertise products and services via touch screen and printable tickets or coupons;
 - b. investors supposedly needed to do nothing to earn returns on their investment in a VCM, which would purportedly be placed at such locations as hotels, airports, and stadiums where they would derive revenue from the businesses paying to advertise through them. However, instead of advertising revenue serving as the driving force behind the returns paid to investors, the two men and their companies paid returns to earlier investors using money from newer investors;
 - c. Signore, Schumack, JCS, and TBTI fraudulently raised more than \$40 million from at least 2011 by guaranteeing exorbitant returns and promoting VCMs through YouTube videos, e-mail solicitations, and investor seminars. In one YouTube video, an apparent investor is polishing his new Cadillac as a friend proclaims, “What an amazing car! How can you afford this?” The investor responds, “My Virtual Concierge.” A similar scene ensues with a different investor showing a friend her new pool. A spokesperson appears and asks the viewer, “Do you want to make more money? Then it is time for you to own a Virtual Concierge.”;

² 15 U.S.C. §§77e(a), 77e(c), 77q(a).

³ 15 U.S.C. § 78j(b); 17 C.F.R. §240.10b-5.

- d. the SEC also alleges that Signore and Schumack misappropriated investor funds for themselves while never telling investors they would do so. Signore used investor funds from accounts at JCS to divert approximately \$2 million directly to himself and family members. Signore also routed investor money to unrelated business ventures he operated with his wife;
 - e. debit charges from JCS accounts indicate that approximately \$56,000 in investor funds were spent at restaurants, merchandising stores, and a tanning salon as well as credit card bills. Money from TBTI's accounts was similarly used for personal expenses. For example, Schumack's wife signed a check for \$500,000 made out to the IRS; and
 - f. TBTI has transferred approximately \$4 million from its investor account to an unrelated account from which Schumack and others executed more than 100 cash withdrawals totaling around \$4.8 million, which was 91 percent of the account balance. Another \$23,000 of investor money was used by Schumack for personal expenses including restaurants, merchandising stores, and a nutrient therapy center.
40. On or around February to May 2016, Schumack, JCS, TBTI, and Signore consented to entries of Judgment, waived findings of fact and conclusion of law; and waived any right to appeal from judgment. *See Securities and Exchange Commission v. Paul Schumack; Securities and Exchange Commission v. JCS Enterprises, Inc., d/b/a JCS Enterprises Services., Inc., T.B.T.I. Inc.; Securities and Exchange Commission v. Joseph Signore*, No. 14-80468 (Middlebrooks D.) (Southern District of Florida, judgment filed May 9, 2016).
 41. The SEC Judgments ordered disgorgement of ill-gotten gains, payment of prejudgment interest, and payment of civil penalties.
 42. To date, Respondents have paid restitution in the amount of \$625,000.

II. CONCLUSIONS OF LAW

43. The Commissioner finds Respondents offered and/or sold unregistered, non-exempt securities in the state of Missouri by soliciting investments in VCMs, acted as an unregistered agent by transacting business in the state of Missouri, employed an unregistered agent in the state of Missouri, and omitted to state material facts or engaged in an act, practice, or course of business that would operate as fraud or deceit upon another person in connection with the offer or sale of a security, in violations of Sections 409.3-301, 409.4-402(a), 409.4-402(d), and 409.5-501, and that this conduct constitutes grounds to issue an order pursuant to Section 409.6-604.
44. The Commissioner, after consideration of the stipulations set forth above and on the consent of Respondents and the Enforcement Section, finds and concludes that the Commissioner has jurisdiction over Respondents and this matter, and that the following Order is in the public interest, necessary for the protection of public investors, and consistent with the purposes intended by Chapter 409

ORDER

NOW, THEREFORE, it is hereby Ordered that:

1. Respondents, their agents, employees and servants, and all other persons participating in the above-described violations with knowledge of this order are permanently enjoined and restrained from violating Sections 409.3-301, 409.4-402(a), 409.4-402(d), and 409.5-501.
2. Respondents are hereby BARRED, effective immediately, from registration as an investment adviser, investment adviser representative, broker-dealer, or broker-dealer agent in the state of Missouri, and can no longer offer or sell any securities in Missouri.
3. Respondents shall pay \$4,500 to the Investor Education and Protection Fund. Of this amount, \$3,000 shall be suspended, provided Respondents comply with the terms of this Consent Order and do not violate the Missouri Securities Act for a period of two years from the effective date of this Consent Order. The remaining \$1,500 shall be paid within 30 days of the effective date of this Consent Order to the Securities Division at 600 West Main Street, Jefferson City, Missouri 65101, and shall be payable to the Missouri Secretary of State's Investor Education and Protection Fund. The Division will send the money to the Missouri Secretary of State's Investor Education and Protection Fund. This suspended amount shall become due immediately upon the sooner of (1) Respondents' noncompliance with the terms of this Consent Order, or (2) a finding, after notice and opportunity for a hearing, by the Commissioner or a court of competent jurisdiction that Respondents have violated the Missouri Securities Act. Such immediately due payments shall be in addition to all other penalties then available under the law.
4. Respondents shall pay \$2,000 as the cost of this investigation. This payment shall be suspended provided Respondents comply with the terms of this Consent Order and do not violate the Missouri Securities Act for a period of two years from the date of the execution of this Consent Order. This suspended amount shall become due immediately upon the sooner of (1) Respondents' noncompliance with the terms of this Consent Order, or (2) a finding, after notice and opportunity for a hearing, by the Commissioner or a court of competent jurisdiction that Respondents have violated the Missouri Securities Act. Such immediately due payments shall be in addition to all other penalties then available under the law. The payment shall be sent to the Securities Division at 600 West Main Street, Jefferson City, Missouri 65101 and made payable to the Investor Education and Protection Fund.
5. Respondents shall pay their own costs and attorneys' fees with respect to this matter

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,

MISSOURI THIS 7th DAY OF September, 2017.



JOHN R. ASHCROFT
SECRETARY OF STATE

David M. Minnick
DAVID M. MINNICK
COMMISSIONER OF SECURITIES

Consented to by:

THE ENFORCEMENT SECTION OF THE
MISSOURI SECURITIES DIVISION

Claire Noland
Claire Noland
Enforcement Counsel

Richard C. Renshaw
d/b/a IFS Advisor and
d/b/a INNOVATIVE FINANCIAL SOLUTIONS


Richard C. Renshaw
Richard C. Renshaw

INVESTORS UNLIMITED, LLC

By: Richard C. Renshaw
NAME: Richard C. Renshaw
Richard C. Renshaw

TITLE: Managing Member

Approved as to Form:


67863
T. J. Matthes
Rosenblum Schwartz Rogers & Glass, P.C.
Attorney for Respondent