



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
JOSHUA MCDONALD; and PERFECTION) Case No.: AP-18-19
PR FIRM, LLC,)
)
Respondents.)

**FINAL ORDER TO CEASE AND DESIST AND ORDER AWARDING RESTITUTION,
CIVIL PENALTIES, AND COSTS AS TO RESPONDENTS JOSHUA MCDONALD AND
PERFECTION PR FIRM, LLC**

Now on the 15th day of February 2019, the Missouri Commissioner of Securities (“the Commissioner”), having reviewed this matter, issues the following findings and order:

I. PROCEDURAL BACKGROUND

1. On November 19, 2018, the Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“the Enforcement Section”), through Director of Enforcement Steven C. Reed, submitted a Petition for Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, and Costs Should Not Be Imposed.
2. On December 5, 2018, the Commissioner issued an Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, and Costs Should Not Be Imposed (“the Order”). On that same day, the Office of the Commissioner sent, via certified U.S. mail, return receipt requested, a copy of the Order to Respondent Joshua McDonald (“McDonald”) at 260 Ramsey Street NE, Cleveland, Tennessee 37312, and to Respondent Perfection PR Firm, LLC’s (“Perfection PR”) registered agent, Universal Registered Agents, Inc., at 12 Timber Creek Lane, Newark, Delaware 19711.
3. On or around December 5, 2018, a copy of the Order was made available to the general public on the Missouri Secretary of State’s website.¹
4. On December 6, 2018, the Office of the Commissioner sent, via certified U.S. mail, return receipt requested, a copy of the Notice of Right to Request a Hearing to Respondent McDonald at 260 Ramsey Street NE, Cleveland, Tennessee 37312, and to Respondent

¹<https://www.sos.mo.gov/CMSImages/Securities/AP-18-19.pdf>

Perfection PR's registered agent, Universal Registered Agents, Inc., at 12 Timber Creek Lane, Newark, Delaware 19711.

5. The certified mail return receipt from the Order sent to Respondent Perfection PR's registered agent on December 5, 2018, at Universal Registered Agents, Inc., 12 Timber Creek Lane, Newark, Delaware 19711, was received by the Office of the Commissioner, and had been signed on December 10, 2018.
6. The certified mail return receipt from the Notice of Right to Request a Hearing sent to Respondent Perfection PR's registered agent on December 6, 2018, at Universal Registered Agents, Inc., 12 Timber Creek Lane, Newark, Delaware 19711, was received by the Office of the Commissioner, and had been signed on December 10, 2018.
7. The Office of the Commissioner received the envelope containing the Order sent to Respondent McDonald on December 5, 2018, at 260 Ramsey Street NE, Cleveland, Tennessee 37312. The envelope was marked "Return to Sender, Not Deliverable as Addressed, Unable to Forward".
8. The Office of the Commissioner received the envelope containing the Notice of Right to Request a Hearing sent to Respondent McDonald on December 6, 2018, at 260 Ramsey Street NE, Cleveland, Tennessee 37312. The envelope was marked "Return to Sender, Not Deliverable as Addressed, Unable to Forward".
9. On December 20, 2018, a copy of the Order was emailed to McDonald at his last known email address at ceo@perfectionfirm.com.
10. On December 20, 2018, a copy of the Order was mailed, via certified U.S. mail, return receipt requested, to McDonald's new address at 20425 North 7th Street, Apartment 3105, Phoenix, Arizona 85024-6021.
11. A review of the United States Postal Service's Certified Mail tracking website on December 31, 2018, revealed the Order was delivered to Respondent McDonald's new Arizona address on December 29, 2018.
12. On February 4, 2019, the Enforcement Section filed a Motion for Final Order as to Respondents McDonald and PR Perfection.
13. Respondents failed to request a hearing within the time allowed by Section 409.6-604.²
14. The Commissioner has not ordered a hearing in this matter pursuant to Section 409.6-604.
15. To date, Respondents have failed to respond to the Motion for Final Order.

² Unless otherwise specified, all statutory references are to the 2016 Revised Statutes of Missouri.

II. FINDINGS OF FACT

A. Respondents and Related Parties

16. McDonald is a 24-year-old Arizona resident with a last known address at 20425 North 7th Street, Apartment 3105, Phoenix, Arizona 85024-6021.
17. A check of the Central Registration Depository (“CRD”) indicates that at all times relevant, McDonald was not registered as a broker-dealer, broker-dealer agent, investment adviser, investment adviser representative, and/or issuer agent.
18. Upon information found in the National Futures Association’s BASIC database, at all times relevant to this matter, Respondent McDonald was not registered as any type of commodity merchant or intermediary in connection with futures trading.³
19. Perfection PR is a Delaware corporation formed on January 29, 2016. Its registered agent is Universal Registered Agents, Inc., which has a last known address of 12 Timber Creek Lane, Newark, Delaware 19711.
20. 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 Perfection PR.
21. Upon information found in the National Futures Association’s BASIC database, at all times relevant to this matter, Respondent Perfection PR was not registered as any type of commodity merchant or intermediary in connection with futures trading.

B. Enforcement Section Investigation

Mississippi Resident

22. A 31-year-old then Sullivan, Missouri, now Madison, Mississippi, resident (“MS”) first learned about McDonald and Perfection PR’s investment from another investor, a 42 year-old Rolla, Missouri resident (“MR3”).
23. Prior to the investment, MS communicated with McDonald several times via video conference, email, and telephone.
24. McDonald told MS, among other things, that:
 - a. McDonald had four years of experience in trading in the foreign currency exchange market (“Forex”) for others, and never lost funds;

³ BASIC is the database where futures commission merchants or intermediaries must register in order to be considered registered with the Commodities Futures Trading Commission.

- b. MS could earn a 20-50% return on their investment in one month;
 - c. McDonald would never trade more than 2-4% of an investors' entire investment amount to ensure the investment funds would be safe; and
 - d. McDonald would receive a 35% commission.
- 25. MS agreed to invest \$100,000 with McDonald and Perfection PR, which would keep MS's funds invested for approximately three months.
 - 26. On or about January 9, 2018, MS wired \$90,000 to Perfection PR's bank account.
 - 27. MS received an invoice from McDonald confirming the \$90,000 deposit.
 - 28. On or about February 12, 2018, MS received a "Forex Earning Report" from McDonald indicating MS's investment had grown to \$101,700.
 - 29. On or about April 15, 2018, MS received a second "Forex Earning Report" from McDonald indicating MS's investment had grown to \$111,615.75.
 - 30. On or about April 9, 2018, MS requested to withdraw the investment funds.
 - 31. McDonald refused, claiming that MS breached the contract when MS agreed to wire \$100,000 but only wired \$90,000.
 - 32. McDonald never asked about the other \$10,000 until MS requested to withdraw.
 - 33. MS did not send the remaining \$10,000 to McDonald because MS was concerned McDonald would start trading the \$10,000 immediately, like McDonald did after he received the initial \$90,000.
 - 34. McDonald will no longer respond to MS's telephone calls or emails.

Forex Investment Agreement

- 35. Around the time of MS's investment, McDonald supplied MS with a "Forex Investment Agreement" that stated, among other things, the following:
 - a. "[Perfection PR] is in the business of presenting investment opportunities & financial consulting; [Perfection PR] would like to offer investors a placement in our Forex Trading Program";
 - b. "Both parties wish to enter into this Agreement, whereby [Perfection PR] offers said investment opportunity & return on investment through Forex trading (as described below) the terms & conditions of this agreement.";

- c. “Commencing as of this 9 day of January 2018, this Agreement & continuing in effect for minimum 3 months (from effective date) will be an open-ended term agreement until termination. [Perfection PR], agrees to offer client an investment opportunity with goal to receive profit return on initial investment of \$100,000 By client signing this agreement, they are agreeing to invest \$100,000”;
- d. “The relationship between the Parties shall be limited to the performance of the terms & conditions of this agreement. Nothing herein shall be construed to create a general partnership between parties outside of such terms.”;
- e. “[Perfection PR] will carry out investing client’s portfolio for term of agreement after signed date at and after receipt of funds. [Perfection PR] will also take a commissioned fee of 35% out of each months profits. At which point will keep client updated & go over the final overview of client’s investment when needed or requested; as stated before the minimum goal is 20% return on investment per month. Yet [Perfection PR’s] goal is to secure as much profit as possible.”; and
- f. “This Contract, in no way substitutes or adheres as a partnership or joint venture, it is simply an offering of an independent contractor offering said terms. [Perfection PR’s] job is to bring potential successful investment opportunity to said client and client’s job is to be investor in said program.”

Client/Investor Non-Disclosure Agreement

- 36. Around the time of the investment, McDonald supplied MS with a “Client/Investor Non-Disclosure Agreement” that stated, among other things:
 - a. “Potential Investor wishes to receive information that [Perfection PR] wants to keep confidential relating to [Perfection PR’s] business plan, financial matters, track record, historical trading, products and/or services currently under development; up to date or not for public to see due to protection of client’s information, and regulations within such privacy through the Forex and business category.”; and
 - b. “In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect.”

Missouri Resident 1 (“MR1”)

- 37. A 57-year-old Hannibal, Missouri resident (“MR1”) first learned about McDonald and Perfection PR’s investment from MR3 below.
- 38. McDonald told MR1 that MR1 could achieve a 20% return per month by trading in Forex accounts.
- 39. On or around December 7, 2017, MR1 wired \$10,000 to Perfection PR’s bank account.

40. Sometime around the time of the investment, MR1 executed a “Forex Investment Agreement” and “Client/Investor Non-Disclosure Agreement”, similar to MS’s documents described above.
41. Approximately one month after the investment, McDonald failed to answer MR1’s texts and emails.
42. Eventually, McDonald sent MR1 a statement that indicated MR1 made a \$3,000-\$4,000 profit.
43. MR1 requested the investment funds back but McDonald refused.

Missouri Resident 2 (“MR2”)

44. A 65-year-old Hannibal, Missouri resident (“MR2”) first learned about Perfection PR/McDonald through MR3 below.
45. On or around January 17, 2018, MR2 wired \$10,000 to Perfection PR’s bank account.
46. Sometime around the time of the investment, MR2 executed a “Forex Investment Agreement” and “Client/Investor Non-Disclosure Agreement” similar to MS and MR1’s documents described above.
47. Approximately one month after making the investment, MR2 received a text from McDonald who indicated a return on investment of 20% was achieved.
48. Eventually McDonald would communicate less with MR2 until the communications stopped all together.
49. To date, MR2 has received no funds back.

Perfection PR’s Marketing Document

50. Around the time of MR2’s investment, McDonald sent MR2 a Perfection PR marketing document that stated, among other things, the following:
 - a. “We have consistently brought a monthly return of 20% on our client’s investments. We offer 24/5 [*sic*] support and ensure that our client’s receive the best returns in the industry.”;
 - b. Perfection PR “has had a 100% success rate with all of our clients, we have brought a minimum monthly return of 20% or more in profits. With clients ranging from \$10,000 to \$1,000,000 Million plus. We’re not here to waste your time or money. Forget a 6-10% annual return on mutual funds, IRA, 401K or any alike. Invest in Forex & let us bring you 20% or more ROI per month.”;

- c. a “Recent client had a very successful portfolio with our 6 month program, starting deposit with \$1 million dollars & yielding a 226.5% gain of profit. And withdrawal of \$1,735,572.00.”; and
- d. “Another very successful portfolio within our 6 month program, starting deposit with \$100,000 dollars & yielding a \$205,000 + gain of profit.”

Missouri Resident 3 (“MR3”)

- 51. A 42-year-old Rolla, Missouri resident (“MR3”) learned about Perfection PR/McDonald from a friend who resides in San Diego, California.
- 52. MR3 spoke with McDonald over the telephone. McDonald claimed he engaged in a “strict risk management” trading plan whereby only 2-4% of an investor’s funds would be at risk of being lost. If the market was doing well, the plan would be raised to 10%.
- 53. McDonald promised MR3 a return on investment ranging between 20%-60% depending on market conditions. No specific trading strategy was shared to obtain the purported return on investment.
- 54. Between in or around November 2017 to January 2018, MR3 invested a total of \$150,000 in Perfection PR/McDonald.
- 55. MR3 had no time horizon for the investment and intended to roll over any profits into a new investment. If the investment succeeded, MR3 intended to invest up to \$50,000 more per month.
- 56. MR3 executed a “Forex Investment Agreement” and “Client/Investor Non-Disclosure Agreement” similar to other investors’ above.
- 57. Sometime after the investment, MR3 requested \$20,000 of the investment back. After a longer-than-expected time, McDonald sent the funds to MR3.
- 58. McDonald sent MR3 updates that indicated MR3’s account had grown to \$260,000. MR3 requested \$100,000 of this amount back but McDonald refused claiming the money was tied up in “swing trades.”
- 59. McDonald frequently solicited more money from MR3 for Perfection PR but MR3 declined.
- 60. On May 4, 2018, McDonald sent an email to MR3 that purported MR3’s investment portfolio was a total loss due to bad trades in Forex accounts. McDonald blamed, among other things, the current political environment and Middle East issues for the losses.

Enforcement Section Letter to McDonald

61. On May 23, 2018, the Enforcement Section sent a letter to McDonald asking for information and documentation concerning the allegations made against him.
62. On June 8, 2018, McDonald emailed the Enforcement Section and acknowledged receipt of the Enforcement Section's letter requesting information. McDonald requested an extension of two weeks to respond and purported his attorney would contact the Enforcement Section.
63. On June 26, 2018, the Enforcement Section emailed McDonald and requested an update on the requested information. On August 3, 2018, McDonald responded via email that the requested documents were being compiled and that McDonald's attorney was out of town.
64. To date, McDonald has not responded to the Enforcement Section's request for information.

Bank Review

65. A review of Perfection PR's Regions Bank account ending in #0364 from November 16, 2017 to May 31, 2018 revealed, among other things, the following:
 - a. a beginning balance of zero on November 16, 2017;
 - b. deposits totaling approximately \$878,902.23 that included:
 - i. \$900 in cash deposits;
 - ii. \$200,000 from Citibank account ending in #7128;
 - iii. a \$10,000 wire from MR1 on December 11, 2017;
 - iv. \$90,000 from MS on January 9, 2018;
 - v. a \$10,000 wire from MR2 on January 17, 2018;
 - vi. \$358,131.85 from what appeared to be investment-related businesses;
 - vii. \$198,072.80 from unknown people and/or businesses;
 - viii. \$3,849.92 in credits; and
 - ix. \$7,410 from an unknown Bank of America account; and
 - c. withdrawals/payments totaling approximately \$874,393.52 that included:

- i. \$142,900 withdrawn/transferred to McDonald's Citibank account ending in #7128;
 - ii. more than \$550,000 in payments to what appeared to be investment-related businesses;
 - iii. \$22,122.71 in commission payments to an unknown individual;
 - iv. a \$20,000 wire to MR3 on March 21, 2018;
 - v. \$2,080 in rent payments;
 - vi. a \$5,000 wire to an unknown individual on March 2, 2018; and
 - vii. more than \$122,000 in payments to, among others, credit card companies, clothing stores, restaurants, gas stations, PayPal, Apple iTunes, Best Buy, Bed Bath & Beyond, Lowes, and cell phone companies; and
- d. an ending balance of \$3,550.47 on May 31, 2018.
66. A review of McDonald's Citibank account ending in #7128 from November 15, 2017 to May 31, 2018 revealed, among other things, the following:
- a. a beginning balance of \$1,790.02 on November 15, 2017;
 - b. deposits totaling approximately \$484,623.33 that included:
 - i. \$142,900 from Regions Bank account ending in #0364;
 - ii. \$150,000 in wires from MR3 that included \$100,000 on November 20, 2017 and \$50,000 on January 23, 2018;
 - iii. \$49,995 from an unknown Bank of America account;
 - iv. \$130,751.38 from what appeared to be investment-related businesses;
 - v. \$5,985.27 from unknown sources; and
 - vi. \$4,991.68 in returns and interest; and
 - c. withdrawals/payments totaling approximately \$489,871.73 that included:
 - i. \$200,500 transferred to Regions Bank account ending in #0364;
 - ii. \$236,510.25 in payments to what appeared to be investment-related businesses; and

- iii. \$52,861.48 in what appeared to be personal expenditures for, among others, restaurants, spas, and credit card payments; and
 - d. an ending balance of \$372.77 on May 31, 2018.
- 67. Prior to the offer and/or sale of securities, specifically investment contracts in the form of Forex Investment Agreements, McDonald made misstatements and/or omitted to disclose the following material information:
 - a. that McDonald was not registered to offer and/or sell securities;
 - b. that the securities offered and/or sold by Perfection PR/McDonald were not registered or exempt from registration;
 - c. specific information regarding how McDonald would achieve the purported investment returns;
 - d. specific information regarding where the investment funds would be traded;
 - e. that McDonald would be non-responsive to investors despite claiming in marketing documents that Perfection PR/McDonald provided “24/5 [sic] support”; and
 - f. specific information to support the purported investment returns on statements McDonald sent investors.

III. CONCLUSIONS OF LAW

- 68. Because Respondents failed to request a hearing within the time allowed by Section 409.6-604, and because the Commissioner never ordered such a hearing, the Order issued on December 5, 2018, against Respondents became **FINAL** by operation of law.

Multiple Violations of Offering and Selling Unregistered, Non-Exempt Securities

- 69. **THE COMMISSIONER CONCLUDES** that Respondents violated Section 409.3-301 when Respondent McDonald, through Respondent Perfection PR, offered and sold unregistered, non-exempt securities in the State of Missouri to investors by, among other things:
 - a. soliciting individuals to invest in Respondent Perfect PR and receiving funds from the investors;
 - b. the investors invested funds in a common enterprise with Respondents;
 - c. the investors’ funds were to be used by Respondents to conduct Forex trading;

- d. the investors expected a profit from the efforts of Respondents and not from investors' own efforts; and
 - e. the investors' expected profits were interwoven with and dependent upon the efforts of Respondents.
70. These activities constitute an offer and/or sale as those terms are defined in Section 409.1-102(26).
71. The investments that Respondents offered and/or sold constitute securities as that term is defined in Section 409.1-102(28).
72. At all times relevant to this matter, there was no registration, granted exemption, or notice filing indicating status as a "federal covered security" for the securities offered and sold by Respondents.
73. Respondents offered and sold securities in Missouri without these securities being (1) a federal covered security, (2) exempt from registration under Sections 409.2-201 or 409.2-203 or (3) registered under the Missouri Securities Act of 2003.
74. At the time Respondents engaged in the conduct set forth above, at least one investor was more than 60-years-old and was an elderly person as that term is defined under Section 409.6-604(d)(3)(B).
75. Respondents' conduct in violation of Section 409.3-301 constitutes an illegal act, practice, or course of business and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Transacting Business as an Unregistered Broker-Dealer

76. **THE COMMISSIONER FURTHER CONCLUDES** that Respondent Perfection PR violated Section 409.4-401(a) when Respondent Perfection PR transacted business as an unregistered, non-exempt broker-dealer in the State of Missouri by engaging in the business of effecting transactions in securities for the account of others.
77. These activities constitute transacting business as a broker-dealer in the State of Missouri under Section 409.1-102(4).
78. At all times relevant to this matter, Respondent Perfection PR was not registered as a broker-dealer either with the Securities and Exchange Commission or with the State of Missouri.
79. Respondent Perfection PR transacted business in Missouri without being registered or exempt from registration as a broker-dealer in violation of Section 409.4-401(a).

80. At the time Respondent Perfection PR engaged in the conduct set forth above, at least one investor was more than 60-years-old and was an elderly person as that term is defined under Section 409.6-604(d)(3)(B).
81. Respondent Perfection PR's conduct in violation of Section 409.4-401(a), constitutes an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Transacting Business as an Unregistered Agent

82. **THE COMMISSIONER FURTHER CONCLUDES** that Respondent McDonald violated Section 409.4-402(a) when Respondent McDonald offered and/or sold securities to investors in and/or from Missouri.
83. These activities constitute transacting business as an agent in the State of Missouri under Section 409.1-102(1).
84. At all times relevant to this matter, Respondent McDonald was not registered as an agent in the State of Missouri.
85. At the time Respondent McDonald engaged in the conduct set forth above, at least one investor was more than 60-years-old and was an elderly person as that term is defined under Section 409.6-604(d)(3)(B).
86. Respondent McDonald's conduct in violation of Section 409.4-402(a), constitutes an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Employing an Unregistered Agent

87. **THE COMMISSIONER FURTHER CONCLUDES** that Respondent Perfection PR violated Section 409.4-402(d) when it employed or associated with Respondent McDonald who offered and sold securities on behalf of Respondent Perfection PR.
88. These activities constitute employing and/or associating with an agent in the State of Missouri under Section 409.4-402(d).
89. At all times relevant to this matter, Respondent Perfection PR had no registration or granted exemption for any agents of Respondent Perfection PR to transact business in the State of Missouri.
90. At the time Respondent Perfection PR engaged in the conduct set forth above, at least one investor was more than 60-years-old and was an elderly person as that term is defined under Section 409.6-604(d)(3)(B).

91. Respondent Perfection PR's conduct in violation of Section 409.4-402(d), constitutes an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Offering and Entering into a Prohibited Commodities Contract

92. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents McDonald and Perfection PR violated Section 409.803.1 when Respondent McDonald, through Respondent Perfection PR, without being exempt or excluded pursuant to Sections 409.803.2 and 409.806, offered to enter into, entered into, or confirmed the execution of, foreign currency commodity contracts and foreign currency commodity option contracts with MS, MR1, MR2, and MR3, who were all Missouri residents when, among other things, Respondent McDonald, through Respondent Perfection PR, solicited investments in accounts where currency and currency options trading was to occur.
93. This activity constitutes an "offer" or "offer to sell" as the term is defined in Section 409.800(11).
94. Respondent McDonald, through Respondent Perfection PR, offered commodity contracts and commodity option contracts as those terms are defined in Sections 409.800(5) and (9).
95. Respondent McDonald, through Respondent Perfection PR, offered to enter into, entered into, or confirmed the execution of, foreign currency commodity contracts and foreign currency commodity option contracts in violation of Section 409.803.1.
96. The actions of Respondent McDonald, through Respondent Perfection PR, in offering and entering into a prohibited commodities contract constitutes an illegal act or practice and thus such actions are subject to the Commissioner's authority under Section 409.823.

Multiple Violations of Engaging in Unregistered and/or Unlicensed Commodity Merchant Business

97. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents McDonald and Perfection PR violated Section 409.808 when Respondents engaged in the commodity merchant business without registering with the Commodity Futures Trading Commission as required to qualify as a registered commodity merchant.
98. Respondents's activities constitute engaging in a trade or business or otherwise acting as a commodity merchant as that term is defined in Section 409.800(8).
99. Respondents conducted unregistered commodity merchant business in violation of Section 409.808.1.
100. The action of Respondents in conducting unregistered commodity merchant business constitutes an illegal act or practice and thus such actions are subject to the Commissioner's authority under Section 409.823.

Multiple Violations of Making an Untrue Statement, Omitting to State Material Facts or Engaging in An Act, Practice, or Course of Business that Would Operate as a Fraud or Deceit Upon Another Person in Connection with the Offer or Sale of a Security

101. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents McDonald and Perfection PR violated Section 409.5-501, when, in connection with the offer, sale or purchase of a security, Respondent McDonald, through Respondent Perfection PR, made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to, the following:
- a. omitting to state that McDonald was not registered to offer and/or sell securities in the State of Missouri;
 - b. omitting to state that Perfection PR was not registered to offer and/or sell securities in the State of Missouri;
 - c. omitting to state that McDonald was not a registered commodity merchant;
 - d. omitting to state that Perfection PR was not a registered commodity merchant;
 - e. that MS could achieve 20-50% returns in one month;
 - f. that MR1 could achieve 20% returns;
 - g. that MR2 had a 20% return after one month;
 - h. that only 2-4% of an investor's funds would be at risk of being lost;
 - i. that Respondents have "consistently brought a monthly return of 20% on our client's investment.";
 - j. that Perfection PR "has had a 100% success rate with all of our clients, we have brought in a minimum monthly return of 20% or more in profits. With [*sic*] clients ranging from \$10,000 to \$1,000,000 Million [*sic*] plus."; and
 - k. that a client had a 226.5% "gain of profit" in 6 months.
102. At the time Respondents McDonald and Perfection PR engaged in the conduct set forth above, at least one investor was more than 60-years-old and was an elderly person as that term is defined under Section 409.6-604(d)(3)(B).
103. Respondents's conduct in violation of Section 409.5-501, constitutes an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.
104. This order is in the public interest and is consistent with the purposes of the Missouri Securities Act of 2003. *See* Section 409.6-605(b).

IV. ORDER

NOW, THEREFORE, it is hereby ordered that Respondents, their agents, employees and servants, and all other persons participating in or about to participate in the above-described violations with knowledge of this order be prohibited from violating or materially aiding in any violation of:

- A. Section 409.3-301, by offering or selling any securities as defined by Section 409.1-102(28), in the State of Missouri unless those securities are registered with the Securities Division of the Office of the Secretary of State in accordance with the provisions of Section 409.3-301;
- B. Section 409.4-401(a), by transacting business as an unregistered broker-dealer;
- C. 409.4-402(a), by transacting business as an unregistered agent;
- D. 409.4-402(d), by employing an unregistered agent;
- E. Sections 409.803, by selling or purchasing, or offering to sell or purchase any commodity contract or any commodity option while not being registered with the applicable regulatory bodies;
- F. Section 409.808.1, by engaging in the trade or business or otherwise acting as a commodity merchant while not being registered or temporarily licensed with the Commodities Futures Trading Commission; and
- G. Section 409.5-501, by, in connection with the offer or sale of securities, making an untrue statement of a material fact or omitting to state a material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading or engaging in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents shall each pay a civil penalty in the amount of \$15,000 for more than one violation of Section 409.3-301, when at least one of these violations was committed against an elderly person. This amount shall be made payable to the State of Missouri and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondent Perfection PR shall pay a civil penalty in the amount of \$15,000 for more than one violation of Section 409.4-401(a), when at least one of these violations was committed against an elderly person. This amount shall be made payable to the State of Missouri and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of

Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondent McDonald shall pay a civil penalty in the amount of \$15,000 for more than one violation of Section 409.4-402(a), when at least one of these violations was committed against an elderly person. This amount shall be made payable to the State of Missouri and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondent Perfection PR shall pay a civil penalty in the amount of \$15,000 for more than one violation of Section 409.4-402(d), when at least one of these violations was committed against an elderly person. This amount shall be made payable to the State of Missouri and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents shall each pay a civil penalty in the amount of \$15,000 for more than one violation of Section 409.5-501, when at least one of these violations was committed against an elderly person. This amount shall be made payable to the State of Missouri and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents shall pay, jointly and severally, restitution in the amount of \$240,000, plus interest calculated at the rate of eight percent annum from the date of violation, January 23, 2018, for violations of Sections 409.3-301, 409.4-401, 409.4-402, and 409.5-501. This amount shall be made payable to the Missouri Secretary of State's Investor Restitution Fund, and the Commissioner will take reasonable and necessary actions to distribute such funds to the investors listed on Exhibit A. This amount shall be sent to the Missouri Securities Division at 600 West Main, P.O. Box 1276, Jefferson City, Missouri 65102, within 30 days from the date of this Final Order.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(e), Respondents shall pay, jointly and severally, \$2,952.68 in actual costs for investigation into, and the proceedings associated with, this matter. This amount shall be payable to the Missouri Secretary of State's Investor Education and Protection Fund and paid within 30 days of the date of this Final Order. This amount shall be sent to the Missouri Securities Division at 600 West Main, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.823, Respondents shall each pay \$100,000 for more than one violation of Sections 409.803 and 409.808. This amount shall be made payable to the State of Missouri and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,
MISSOURI THIS 15th DAY OF FEBRUARY 2019.

JOHN R. ASHCROFT
SECRETARY OF STATE



DAVID M. MINNICK
COMMISSIONER OF SECURITIES



CERTIFICATE OF SERVICE

I hereby certify that on this 15th day of February 2019, a true and correct copy of the foregoing Final Order to Cease and Desist and Order Awarding Restitution, Civil Penalties, and Costs as to Respondent Joshua McDonald and Perfection PR Firm, LLC in the above styled case was sent **by certified U.S. mail and email to:**

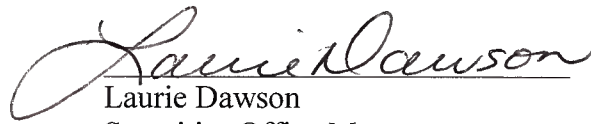
Joshua McDonald
20425 North 7th Street, Apartment 3105
Phoenix, AZ 85024-6021
ceo@perfectionprfirm.com

and

Perfection PR Firm, LLC
c/o Universal Registered Agents, Inc.
12 Timber Creek Lane
Newark, Delaware 19711

And by hand-delivery to:

Steven C. Reed
Director of Enforcement
Missouri Securities Division
steven.reed@sos.mo.gov


Laurie Dawson
Securities Office Manager