



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
MONARCH CAPITAL INVESTMENT) Case No.: AP-21-06
FUND, LLC; and)
TIMOTHY PATRICK PEABODY,)
)
Respondents.)
)
Serve: Monarch Capital Investment)
Fund, LLC)
18972 Deep Well Road)
Santa Ana, CA 92705)
peabodylaw@aol.com)
)
and)
)
Timothy Patrick Peabody)
18972 Deep Well Road)
Santa Ana, CA 92705)
peabodylaw@aol.com)
shamrockinvestmenttrust@gmail.com)

**ORDER TO CEASE AND DESIST AND ORDER TO SHOW CAUSE WHY
RESTITUTION, CIVIL PENALTIES, COSTS, AND OTHER ADMINISTRATIVE
RELIEF SHOULD NOT BE IMPOSED**

On June 7, 2021, the Enforcement Section of the Missouri Securities Division of the Office of Secretary of State ("the Enforcement Section"), through Enforcement Counsel Steven M. Kretzer, submitted a Petition for Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, Costs, and Other Administrative Relief Should Not Be Imposed ("the Petition"). After reviewing the Petition, the Missouri Commissioner of Securities ("the Commissioner") issues the following order:

I. ALLEGATIONS OF FACT

The Petition alleges the following facts:

A. Introduction

Between April, 2015 and October, 2016 (“Relevant Period”), Respondents engaged in acts and practices in violation of Sections 409.3-301, 409.4-402(d) and 409.5-501¹ by associating with unregistered third-party agents, who, on behalf of Respondents, raised funds for Monarch Capital Investment Fund, LLC (“Monarch”), through sales of unregistered, non-exempt promissory note securities (“Notes”). The nationwide fund raising campaign targeted at least four Missouri residents who purchased Notes totaling at least \$210,500. Following the sales of the Notes to investors, Respondents engaged in a fraudulent scheme circulating funds back to investors in the form of monthly interest payments and misappropriated a majority of the remaining funds for their own personal benefit.

B. Respondents

1. Monarch is a California limited liability company formed January 30, 2014, with a last known principal place of business located at 18972 Deep Well Road, Santa Ana, California 92705. Monarch is also registered in Florida as a limited liability company formed February 8, 2017. Monarch purports to be a real estate investment fund that specializes in distressed residential and large scale residential development projects throughout the State of Florida.
2. Review of records maintained by the Commissioner indicates that, during the Relevant Period, there was no registration, granted exemption, and/or notice filing indicating status as a “federally covered security” for any securities issued by Monarch.
3. Timothy Patrick Peabody (“Peabody”) is a sixty-year-old Santa Ana, California resident residing at 18972 Deep Well Road, Santa Ana, California 92705. During the Relevant Period, Peabody was signatory on all bank accounts relevant to this matter. Peabody is identified on the Notes as the managing member of Monarch.
4. Peabody’s relevant financial and legal history, includes, but is not limited to:
 - a. a September 14, 1998, judgment against Peabody by American Legal Support in the amount of \$2,932 in Orange County, California Case No. 98SC003854;
 - b. a September 13, 2012, judgment against Peabody by ADR Services, Inc. in the amount of \$900 in Los Angeles County, California Case No. 10W01664;
 - c. a September 13, 2012, judgment against Peabody by DDS Legal Support Systems in the amount of \$2,595 in Orange County, California Case No. 30-2012-00565553;

¹ Unless otherwise noted, all statutory references are to the 2020 Supp. Revised Statutes of Missouri.

- d. a January 7, 2014, judgment against Peabody by Ford Motor Credit for \$9,511 in Orange County, California Case No. 30-2011-00471825; and
- e. an April 21, 2016, judgment against Peabody for \$162,031 in Orange County, California Case No. 30-2013-00650209-CU-PN-CJC.

C. Related Parties

- 5. Retire Happy, LLC (“Retire Happy”), was a Nevada limited liability company with a last known address at 4840 W. University Ave, A-1, Las Vegas, Nevada 89103. Retire Happy purportedly specialized in educating individuals on so-called self-directed retirement accounts and alternative investments. Retire Happy was administratively dissolved on January 21, 2021.
- 6. Review of Central Registration Depository (“CRD”) records indicates that, during the Relevant Period, Retire Happy was not registered in any capacity in the securities industry. More specifically, Retire Happy was not registered or exempt from registration in Missouri or Nevada as a broker-dealer during the Relevant Period.
- 7. Julie Ann Minuskin (“Minuskin”) is a forty-three-year-old Nevada resident. During the Relevant Period, Minuskin was the sole managing member and chief executive officer of Retire Happy and founder, sole owner, and president of Land Jewels, Inc. (“Land Jewels”).
- 8. Review of CRD records indicate that Minuskin, during the Relevant Period, was not registered in any capacity in the securities industry. More specifically, Minuskin was not registered or exempt from registration in Missouri or Nevada as a broker-dealer agent during the Relevant Period.
- 9. Land Jewels is a Nevada corporation with a last known principal address of 4340 S. Valley View Blvd., Suite 224, Las Vegas, Nevada 89103. Land Jewels purportedly engages in a variety of activities including, among other things, real estate investments. During the Relevant Period, Land Jewels was solely owned and operated by Minuskin.
- 10. Review of CRD records indicate that during the Relevant Period, Land Jewels was not registered in any capacity in the securities industry. More specifically, Land Jewels was not registered or exempt from registration in Missouri or Nevada as a broker-dealer during the Relevant Period.
- 11. Joshua Patrick Stoll (“Stoll”) is a thirty-year-old Nevada resident. During the Relevant Period, Stoll was an employee of Retire Happy under the direction and control of Minuskin.
- 12. Review of CRD records indicate that during the Relevant Period, Stoll was not registered in any capacity in the securities industry. More specifically, Stoll was not registered or exempt from registration in Missouri or Nevada as a broker-dealer agent during the Relevant Period.

13. Provident Trust Group, LLC (“Provident”), is a Nevada limited liability company with a principal place of business at 8880 W. Sunset Rd, Suite 250, Las Vegas, Nevada 89148. Provident provides administration, asset custody and related services for self-directed retirement accounts.

D. Origin of this Matter

14. This matter arises from facts discovered in another matter, *In the Matter of Retire Happy, LLC, Julie A. Minuskin, and Joshua P. Stoll*, Case No. AP-20-06² (“AP-20-06”) In that matter, Retire Happy was found, among other things, to have transacted business in the State of Missouri as a broker-dealer and investment adviser without registration or applicable exemption and fraudulently offered and sold unregistered, non-exempt promissory note securities through its staff of unregistered agents and investment adviser representatives to at least twelve Missouri residents. In that matter, Retire Happy had been engaged by several small start-up companies to raise capital by soliciting investors and facilitating the execution of the promissory note securities transactions. The Respondent in the current matter, Monarch, was one of those small start-up companies.

E. Relationship Between Monarch and Retire Happy

15. On October 21, 2013, Respondents engaged Retire Happy to raise more than \$7 million in total funding for Monarch through the sale of Notes.
16. In exchange for Retire Happy’s fundraising efforts, Respondents agreed to pay Retire Happy, among other things, transaction-based compensation equal to ten percent (10%) of the gross dollar amount of funds raised.
17. Additionally, as part of the compensation plan for Retire Happy’s fundraising efforts, Respondents agreed to share forty percent (40%) of “all net profits earned from the investment opportunity payable quarterly to Retire Happy by Monarch”. No clarification of this clause in the compensation agreement between Retire Happy and Monarch exists as to how this would actually work or be enforced. Regardless, Monarch ultimately never produced any net profits to share with Retire Happy.
18. Respondents executed a document memorializing the agency relationship between Retire Happy and Monarch on October 21, 2013. Both Peabody’s and Minuskin’s signatures appear on the document.
19. On behalf of Respondents, Retire Happy and its staff, in particular, Stoll, then engaged in nationwide solicitations, using both telephone and email, to contact and identify potential Note investors and, in the course of doing so, targeted at least four Missouri residents.

² See Findings of Fact, Conclusions of Law, and Final Order to Cease and Desist and Order Awarding Civil Penalties, Costs, and Restitution, dated March 10, 2021, at <https://www.sos.mo.gov/CMSImages/Securities/AP-20-06F.pdf>.

20. Also, on behalf of Respondents, Retire Happy and its staff, including Minuskin, facilitated execution of the Notes directly with the investors. To facilitate the executions, Retire Happy maintained a prepared electronic template of the Note and an electronic specimen signature of Peabody, both of which had been reviewed and authorized by Respondents. Upon identifying an investor, Retire Happy, rather than introduce the investor to Respondents and allow the parties to execute a Note directly with each other, proceeded to insert the investor's name and custodial account title and number, the investment amount, and date onto the Note template. Retire Happy also affixed Peabody's signature to the document before emailing the Note to the investor for countersignature and instructing the investor where on the Note to sign.
21. Depending on the frequency of sales, Retire Happy would forward the fully executed Notes to Respondents one at a time or in batches, and coordinate with each investor and Provident to ensure payment of the investor's funds to Monarch.
22. Along with a copy of each fully executed Note, Retire Happy provided Respondents with the name, telephone number (including area code), and email address of each investor.
23. As principal, Respondents reasonably knew or should have known that the employees of Retire Happy were not only engaging in general solicitations to sell Notes but also facilitating the execution of the Notes directly with the investors.
24. As a result of Retire Happy's solicitation and execution efforts, Retire Happy raised a total of at least \$7,058,650 for Respondents from the sales of Notes to one-hundred-sixty-five (165) individual investors from forty-one (41) states across the U.S. during the Relevant Period.
25. In most instances, the source of funds used to purchase the Notes came from the traditional individual retirement accounts ("IRAs"), Roth IRAs, and 401(k) retirement accounts of the investors.
26. In compensation for Retire Happy's fundraising success, Respondents paid the agreed upon ten percent (10%) fee to Retire Happy. As mentioned in paragraph 17, no additional compensation was remitted to Retire Happy as Monarch was never profitable.

F. Respondents' Bank Accounts

27. Peabody controlled the following bank accounts during the Relevant Period:
 - a. A JP Morgan Chase bank account number ending in 5330 belonging to Monarch with Peabody as signatory ("Peabody Bank Account 5330");
 - b. A Wells Fargo bank account number ending in 3235 belonging to Monarch with Peabody as signatory ("Peabody Bank Account 3235");
 - c. A Wells Fargo bank account number ending in 4830 belonging to Timothy P. Peabody d/b/a Timothy P. Peabody, Esq., with Peabody as signatory ("Peabody

Bank Account 4830”);

- d. A Wells Fargo bank account number ending in 0220 belonging to Timothy P. Peabody d/b/a Timothy P. Peabody, Esq., with Peabody as signatory (“Peabody Bank Account 0220”);
- e. A Wells Fargo bank account number ending in 5540 belonging to Timothy P. Peabody and his spouse, with Peabody as signatory (“Peabody Bank Account 5540”); and
- f. A Wells Fargo bank account number ending in 0238 belonging to Starpointe Enterprises, LLC, with Peabody as signatory (“Peabody Bank Account 0238”) (all accounts identified in paragraph 28(a)–(f), collectively, shall hereinafter be referred to as the “Peabody Bank Accounts”).

G. Offers and Sales of Notes to Missouri Residents

Missouri Resident 1 (“MR1”)

- 28. In late 2014, MR1, a then sixty-one year-old Hillsboro, Missouri resident, began receiving phone calls from Stoll after MR1 attended a seminar in Las Vegas, Nevada where MR1 initially met Stoll.
- 29. Based on information and belief, during the course of Stoll’s communications with MR1 following their initial meeting in Las Vegas, Stoll solicited MR1 a Note and, either directly or indirectly through other staff at Retire Happy, provided MR1 a one-page sales brochure about Monarch (“Brochure”) which based on information and belief was created and provided to Retire Happy by Peabody.
- 30. On June 16, 2015, MR1 executed a Note in the amount of \$50,000 with the following relevant terms:
 - a. the promissory note has a stated rate of 10% annual interest, payable monthly;
 - b. the promissory note has a term to maturity of 12 months from the date of execution;
 - c. the entire principal balance would be repaid June 16, 2016; and
 - d. Peabody’s signature appeared as Managing Member.
- 31. A check of the records maintained by the Commissioner indicates that 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 Note purchased by MR1.
- 32. In AP-20-06, the Commissioner found that at the time the Note was solicited and sold to MR1, no employees of Retire Happy, LLC were registered or exempt from registration as

broker-dealer agents in the State of Missouri.

33. Since MR1's investment, MR1 received twenty-one (21) payments totaling \$8,805.64 before payments stopped.
34. Upon receipt by Respondents, MR1's investment was immediately commingled with three bank accounts including those owned by Peabody but unrelated to Monarch.
35. A review of bank records reveal that all of MR1's investment amount was used between June 26, 2015, and July 3, 2015, for personal expenses by Peabody that included but were not limited to the following:
 - a. legal fees;
 - b. credit card payments;
 - c. plastic surgery;
 - d. personal grooming expenses such as massages and gym membership fees; and
 - e. groceries.
36. MR1's investment was never used for the purpose as described in Respondents' Brochure or Note.
37. MR1 never received a return of the \$50,000 principal amount.
38. Had Respondents complied with the terms of the Note, MR1 would have received a total amount of \$55,000 by the end of the twelve month term.
39. MR1's loss as a result of not receiving return of the principal amount is \$46,194.36.³

Missouri Resident 2("MR2")

40. In April, 2015, Stoll contacted then sixty-five-year-old St. Charles, Missouri resident, MR2 and solicited MR2 a Note.
41. During that same month, Retire Happy emailed MR2 the Brochure that contained the following representations:
 - a. Monarch's objective is to provide investors with a secured, insured, and debt free product with a stable yield not tied to Wall Street;
 - b. Monarch has an experienced management team with five years real estate

³ This amount of loss for all MRs has been calculated by subtracting the total amount of interest payments made to investors from the total amount expected to have been received.

- experience in Florida;
- c. Monarch has acquired twenty (20) different tax lien properties, forty-eight (48) estate sale properties, and ten (10) homeowner association auction properties;
 - d. Monarch offers a fixed yield, which provides investors the ability to plan;
 - e. Monarch is an extraordinary niche opportunity for investors to get into Florida distressed real estate assets; and
 - f. A required \$10,000 minimum investment in Monarch Capital Fund, LLC, will pay monthly interest at an annual rate of 10% over a period of twelve months.
42. On April 10, 2015, based on Stoll's solicitation and the representations contained in the Brochure, MR2 executed a Note in the amount of \$50,500 with the following relevant terms:
- a. The Borrower shall pay monthly interest to the Noteholder at an annual rate of ten percent (10%) during the term of the Note;
 - b. The Note matures twelve (12) months from the date of execution; and
 - c. Borrower shall repay the principal to Noteholder at maturity.
43. Peabody's signature appears in the Note's signature block for "Borrower." The signature block identifies Peabody as "Managing Member" of Monarch.
44. MR2's custodian, Provident, wired \$50,500 of MR2's traditional IRA to Peabody Bank Account 4830.
45. A check of the records maintained by the Commissioner indicates that 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 Note purchased by MR2.
46. In AP-20-06, the Commissioner found that at the time the Note was solicited and sold to MR2, no employees of Retire Happy were registered or exempt from registration as broker-dealer agents in the State of Missouri.
47. Upon receipt of MR2's investment, Peabody immediately began transferring portions of MR2's investment into various Peabody Bank Accounts, including Peabody Bank Accounts unrelated to Monarch.
48. A review of bank records from all the Peabody Bank Accounts reveals that MR2's entire \$50,500 investment was exhausted by Peabody between April 14, 2015, and April 27, 2015, on personal expenses, including, but not limited to:
- a. airline travel;

- b. entertainment such as Netflix and Apple iTunes;
 - c. medical and dental expenses;
 - d. cell phone expenses;
 - e. Peabody's children's school expenses;
 - f. groceries;
 - g. reimbursements to Peabody's spouse; and
 - h. numerous bank overdrafts and wire transfer fees.
49. MR2 received twenty-four (24) payments from Monarch totaling \$9,900.53 before payments stopped.
50. MR2's investment was never used for the business of Monarch as represented in the Brochure and the Note.
51. On June 14, 2017, Respondents emailed MR2 an update on Monarch's business activities. The update, which was dated May 31, 2017, stated the following:
- a. "Monarch purchased a seventy (70) unit townhome project in the city of Tallahassee, Florida consisting of seventeen (17) previously built townhomes as a building pad for an additional fifty-eight (58) units (*sic*)"⁴; and
 - b. Monarch is prepared to construct the originally planned fifty-eight (58) units and is currently negotiating with the city of Tallahassee to expand the project to include ninety (90) units.
52. MR2 never received a return of the \$50,500 principal amount invested.
53. Had Respondents complied with the terms of the Note, MR2 would have received a total return of interest and principal in the amount of \$55,550 by the end of the twelve month term.
54. MR2's loss as a result of not receiving all interest payments and return of the principal is \$45,649.47.

Missouri Resident 3 ("MR3")

55. In 2015, MR3, a then sixty-one-year-old Pleasant Hill, Missouri resident, began

⁴ The Enforcement Section is unclear whether these numbers were inaccurately reported in the email or if Peabody intended to combine or divide some of the units to arrive at the final number of townhomes to be offered.

researching investment options when she was contacted by Stoll.

56. Stoll convinced her to set up a self-directed investment retirement account and invest based upon his recommendations in lieu of the stock market.
57. On October 4, 2016, MR3 executed a Note in the amount of \$100,000 with the following relevant terms:
 - a. the promissory note has a stated rate of 10% annual interest, payable monthly;
 - b. the promissory note has a term to maturity of 12 months from the date of execution;
 - c. the entire principal balance would be repaid October 4, 2017; and
 - d. Peabody's signature appeared as Managing Member.
58. A check of the records maintained by the Commissioner indicates that 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 Note purchased by MR3.
59. In AP-20-06, the Commissioner found that at the time the Note was solicited and sold to MR4, no employees of Retire Happy, LLC, were registered or exempt from registration as a broker-dealer agents in the State of Missouri.
60. Since MR3's investment, MR3 received five (5) payments totaling \$4,032.24 before payments stopped.
61. A review of bank records reveal that all of MR3's investment amount was used between October 28, 2016 and November 2, 2016, by Peabody for purposes not disclosed to MR3 that included but were not limited to the following:
 - a. transfer to another Peabody business called Skyfidelity;
 - b. repayment of a loan made by Minuskin via Land Jewels to Peabody;
 - c. payment of commissions to Retire Happy for Note sales;
 - d. interest payments for other investors directly;
 - e. interest payments for other investors made through Provident Trust Group for Notes sold by a company called FHS Advisory Group; and
 - f. interest payments for other investors made through Provident Trust Group for Notes sold by Retire Happy.

62. MR3's investment was never used for the purpose as described in Respondents' Brochure or Note.
63. MR3 never received a return of the \$100,000 principal amount.
64. Had Respondents complied with the terms of the Note, MR3 would have received a total amount of \$110,000 by the end of the twelve month term.
65. MR3's loss as a result of not receiving all interest payments and return of the principal amount is \$105,967.76.

Missouri Resident 4("MR4")

66. In early 2016, Retire Happy contacted MR4, a then sixty-year-old Rolla, Missouri resident, and solicited MR4 a Note.
67. On February 19, 2016, MR4 executed a Note in the amount of \$10,000 with the following relevant terms:
 - a. the promissory note has a stated rate of 10% annual interest, payable monthly;
 - b. the promissory note has a term to maturity of 12 months from the date of execution;
 - c. the entire principal balance would be repaid February 19, 2017; and
 - d. Peabody's signature appeared as Managing Member.
68. A check of the records maintained by the Commissioner indicates that 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 Note purchased by MR4.
69. In AP-20-06, the Commissioner found that at the time the Note was solicited and sold to MR4, no employees of Retire Happy, LLC were registered or exempt from registration as a broker-dealer agents in the State of Missouri.
70. Since MR4's investment, MR4 received twelve (12) payments totaling \$936.74 before payments stopped.
71. After receipt by Respondents, MR4's investment was used to make an interest payment on a loan from Minuskin via Land Jewels to Peabody in the amount of \$6,963.54 on April 22, 2016.
72. On that same date, April 22, 2016, Respondents paid Retire Happy \$4,036.46 (the remainder of MR3's investment) presumably as commission for Notes sold by Retire Happy for Respondents.

73. MR4's investment was never used for the purpose as described in Respondents' Brochure or Note.
74. MR4 never received a return of the \$10,000 principal amount.
75. Had Respondents complied with the terms of the Note, MR4 would have received a total amount of \$11,000 at the end of the twelve month term.
76. MR4's loss as a result of not receiving all interest payments and return of the principal amount is \$10,063.26.

H. Additional Findings

77. At no time prior to or at the time Missouri investors purchased the Notes did Respondents, either directly or indirectly through Retire Happy, disclose to the Missouri investors:
 - a. that the Notes were not registered or exempt from registration in the State of Missouri;
 - b. that Retire Happy was not registered or exempt from registration as a broker-dealer in the State of Missouri;
 - c. that none of the employees of Retire Happy was registered or exempt from registration as a broker-dealer agent in the State of Missouri;
 - d. that investor money would be used to pay interest to other investors;
 - e. that investor money would be transferred and used by other entities owned by Peabody;
 - f. that investor money would be used to pay back a loan from Minuskin via Land Jewels to Peabody;
 - g. that investor funds would be used to support Peabody's lavish lifestyle, personal expenses, or family expenses; or
 - h. Peabody's relevant financial and legal history, including, but not limited to:
 - (1) a September 14, 1998, judgment against Peabody by American Legal Support in the amount of \$2,932 in Orange County, California Case No. 98SC003854;
 - (2) a September 13, 2012, judgment against Peabody by ADR Services, Inc., in the amount of \$900 in Los Angeles County, California Case No. 10W01664;

- (3) a September 13, 2012, judgment against Peabody by DDS Legal Support Systems in the amount of \$2,595 in Orange County, California Case No. 30-2012-00565553;
 - (4) a January 7, 2014, judgment against Peabody by Ford Motor Credit for \$9,511 in Orange County, California Case No. 30-2011-00471825; and
 - (5) an April 21, 2016, judgment against Peabody for \$162,031 in Orange County, California Case No. 30-2013-00650209-CU-PN-CJC.
78. Despite bank records revealing the contrary, Peabody falsely claimed to the Enforcement Section that he used the Missouri investors' money for construction of a property owned by Peabody in Tallahassee, Florida between 2014 and 2019.
79. While Peabody acknowledged hiring Retire Happy to raise funds for Respondents, Peabody falsely claimed he directed Retire Happy to only raise money from investors residing in Nevada, California, and Arizona. No documentation of the claimed instructions have been produced or located.
80. Contrary to Peabody's claim that he instructed Retire Happy to only solicit and sell to Nevada, California, and Arizona residents, the Enforcement Section confirmed that Peabody, himself, directly issued at least three W-9 tax forms to Note investors residing in Utah, Indiana, and Louisiana. Additionally, emails between Retire Happy and Peabody reveal Peabody was not only aware that Retire Happy was soliciting investors from states beyond Nevada, California, and Arizona, but that he had significant concerns about being subject to the regulatory authorities in those various other states in which Retire Happy was conducting solicitations and sales of Notes on behalf of Respondents.
81. Ultimately, Respondents used investor funds to afford Peabody an affluent lifestyle that included some of the following:
 - a. restaurant dining (including, in some instances, DoorDash delivery service) at over ninety (90) restaurants throughout the Newport Beach, Irvine, and Las Vegas areas;
 - b. paying utility expenses such as water bills, cell phone bills, pool service bills, Internet services, satellite television services, electric bills, gas bills, cable television bills, personal home delivery water services, and rent for two other Peabody entities;
 - c. paying down personal loans, Peabody's home mortgage, and credit cards of not only Peabody but also his spouse;
 - d. all manner of entertainment purchases including theaters, concerts, athletic events, and streaming services;

- e. all manner of health and medical care including insurance premiums, doctor's visits, prescription costs, eye care, and dental care;
 - f. transportation costs including car payments, gasoline, parking, maintenance, registration, insurances, toll fees, and car washes;
 - g. international travel to places such as Italy, Ireland, and the United Kingdom and domestic vacation travel to places like Hawaii;
 - h. personal purchases at big box and department stores;
 - i. tuition, tutors, athletics, and text books for Peabody's three children to attend high school and universities; and
 - j. assisting an unaffiliated startup company called Ride Your Wave Clothing, owned by Matthew Charles Peabody.
82. Out of the more than \$7 million raised by Retire Happy for Respondents, the Enforcement Section found only \$100,000 paid to a Florida construction company to perform work on the condominium project in Tallahassee as described in the Brochure. The Enforcement Section confirmed with the construction company that a construction crew spent approximately six months onsite before abandoning the project due to non-payment by Respondents.

II. COMMISSIONER'S DETERMINATIONS AND FINDINGS

Four (4) Violations of Offering and Selling Unregistered, Non-Exempt Securities

83. **THE COMMISSIONER DETERMINES THAT** the Notes are a security under Section 409.1-102(28) which defines "security" as, among other things, "evidence of indebtedness" and an "investment contract."
84. By engaging in the conduct set forth above, Respondents offered and sold unregistered, non-exempt securities in the form of four promissory notes to four Missouri residents, in the State of Missouri, in violation of Section 409.3-301.
85. At the time Respondents engaged in the conduct set forth above, all four Missouri residents were more than sixty-years old and were elderly persons as that term is defined under Section 409.6-604(d)(3)(B).
86. Respondents' violations of Section 409.3-301 constitute an illegal act, practice, or course of business subject to the Commissioner's authority under Section 409.6-604.
87. An 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).

Four (4) Violations of Employing an Unregistered Agent

88. **THE COMMISSIONER FURTHER DETERMINES THAT** by engaging in the conduct set forth above, Respondents, in the course of issuing securities, employed or associated with an agent who transacted business four times in the State of Missouri on behalf of Respondents while not being registered or exempt from registration as a broker agent in the State of Missouri, in violation of Section 409.4-402(d).
89. At the time Respondents engaged in the conduct set forth above, all four Missouri residents were more than sixty-years old and were elderly persons as that term is defined under Section 409.6-604(d)(3)(B).
90. Respondents' violations of Section 409.4-402(d) constitute an illegal act, practice, or course of business subject to the Commissioner's authority under Section 409.6-604.
91. An 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).

Twelve (12) Violations of Section 409.5-501

92. **THE COMMISSIONER FURTHER DETERMINES THAT** by engaging in the conduct as set forth above, Respondents, in connection with the offer and sale of a security: (i) employed a device, scheme, or artifice to defraud in four instances, (ii) made untrue statements of material fact or omitted to a state material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading in at least four instances, and (iii) engaged in an act, practice or course of business that operates or would operate as a fraud or deceit upon another person in at least four instances, all of which were in violation of Section 409.5-501(1), 409.5-501(2), and 409.5-501(3).
93. At the time Respondents engaged in the conduct set forth above, all four Missouri residents were more than sixty-years old and were elderly persons as that term is defined under Section 409.6-604(d)(3)(B).
94. Respondents' violations of Section 409.5-501 constitute an illegal act, practice, or course of business subject to the Commissioner's authority under Section 409.6-604.
95. An 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).

III. 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 409.4-402(d) by employing an unregistered agent to transact business in the State of Missouri; and
- C. Section 409.5-501, by, in connection with the offer or sale of securities, employing a device, scheme or artifice to defraud, 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.

IV. STATEMENT

Pursuant to Section 409.6-604, the Commissioner hereby states that he will determine whether to grant the Enforcement Section's requests for:

- A. \$160,000 against Respondents, jointly and severally, for four violations of Section 409.3-301, when each of the four violations were committed against elderly persons, in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;
- B. \$160,000 against Respondents, jointly and severally, for four violations of Section 409.4-402(d), when each of the four violations were committed against elderly persons, in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;
- C. \$480,000 against Respondents, jointly and severally, for twelve violations of Section 409.5-501, when each of the twelve violations were committed against elderly persons in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;
- D. an order to pay restitution in the amount of \$207,874.85 against Respondents, jointly and severally, plus annual interest at a rate of eight percent (8%) from the dates of the violations, for any loss, including the amount of any actual damages that may have been caused by the Respondents' conduct;
- E. an award of the cost of the investigation against Respondents, jointly and severally, in this proceeding, awarding an amount to be determined after review of evidence submitted by the Enforcement Section, unless Respondents request a hearing and show cause why an award should not be made; and
- F. an order that the Commissioner provide such other relief as he deems just unless Respondents request a hearing and show cause why the relief should not be imposed.

All of the preceding relief is sought on behalf of the persons injured by the acts and practices of all Respondents that constitute violations of the Missouri Securities Act.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,
MISSOURI THIS *8th* DAY OF JUNE, 2021.



JOHN R. ASHCROFT
SECRETARY OF STATE

David M. Minnick

DAVID M. MINNICK
COMMISSIONER OF SECURITIES



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
MONARCH CAPITAL INVESTMENT) Case No.: AP-21-06
FUND, LLC; and)
TIMOTHY PATRICK PEABODY,)
)
Respondents.)
)
Serve: Monarch Capital Investment)
Fund, LLC)
18972 Deep Well Road)
Santa Ana, CA 92705)
peabodylaw@aol.com)
)
)
and)
)
Timothy Patrick Peabody)
18972 Deep Well Road)
Santa Ana, CA 92705)
peabodylaw@aol.com)
shamrockinvestmenttrust@gmail.com)

NOTICE

TO: Respondents and any unnamed representatives aggrieved by this Order:

You may request a hearing in this matter within thirty (30) days of receipt of this Order pursuant to Section 409.6-604(b), RSMo, and 15 CSR 30-55.020. Any request for a hearing before the Commissioner must contain:

- a. a brief statement of the facts;
- b. a summary of the factual and legal issues involved;
- c. a request for relief;

- d. suggestions in support of the relief sought, including the relevant statutes;
- e. the name of the party requesting the hearing; and
- f. the name of the attorney representing the party, if any.

Within fifteen (15) days after receipt of a request in a record from a person or persons subject to the order, the Commissioner will schedule this matter for a hearing.

A request for a hearing must be mailed or delivered, in writing to:

David M. Minnick, Commissioner of Securities
Office of the Secretary of State, Missouri
600 West Main Street, Room 229
Jefferson City, MO 65102

CERTIFICATE OF SERVICE

I hereby certify that on this 8th day of June, 2021, a copy of the foregoing Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, Costs, and Other Administrative Relief Should Not Be Imposed in the above styled case was **mailed via certified U.S. mail and emailed to:**

Monarch Capital Investment Fund, LLC
18972 Deep Well Road
Santa Ana, CA 92705
peabodylaw@aol.com

and

Timothy Patrick Peabody
18972 Deep Well Road
Santa Ana, CA 92705
peabodylaw@aol.com
shamrockinvestmenttrust@gmail.com


Laurie Dawson
Securities Office Manager