



STATE OF MISSOURI  
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF: )  
)  
ERIC C. WILKINSON; DAVID MICHAELS; )  
DONALD K. BLAKE; MICHAEL H. KETCHER; ) Case No.: AP-18-11  
and SCOTT STOLTZ, )  
)  
*Respondents.* )

**CONSENT ORDER AS TO RESPONDENTS BLAKE AND KETCHER**

1. The Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“Enforcement Section”), through Director of Enforcement Steven Reed, has alleged that Donald K. Blake (“Blake”) and Michael H. Ketcher (“Ketcher”), collectively as “Respondents”, violated Section 409.4-402(a), RSMo. (2016)<sup>1</sup>, by transacting business as unregistered agents in the state of Missouri. This violation constitutes 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 Section 409.4-402(a).

**CONSENT TO JURISDICTION**

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

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<sup>1</sup> Unless otherwise noted, all statutory references are to the 2016 Revised Statutes of Missouri.

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. Blake is a 56 year-old Missouri resident with a last known address at 7218 Zephyr Place, Apt 103, St. Louis, Missouri 63143-2336.
13. At all times relevant, Blake was not registered as an investment adviser, broker-dealer, investment adviser representative, broker-dealer agent, and/or issuer agent.
14. Ketcher is a 65 year-old Missouri resident with a last known address at 7416 Delmar Boulevard, St. Louis, Missouri 63130-4034.
15. At all times relevant, Ketcher was not registered as an investment adviser, broker-dealer, investment adviser representative, broker-dealer agent, and/or issuer agent.

16. Apothecary Films, Corp. (“AFC”) is a California company organized in the state of California on September 9, 2014.
17. 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 AFC.

### **Missouri Resident 1**

18. A 56-year old St Louis, Missouri resident (“MR1”) met Blake and Ketcher approximately 8 years ago. A friendship developed based on all parties’ interest in film making.
19. AFC was to make a film titled *A Fall From Grace*.
20. On or around December 2, 2013, MR 1 claims Blake and Ketcher solicited a \$10,000 investment from MR1 that was to help AFC make the film.
21. In return for the \$10,000 investment, two principals of AFC (“AFC Principals”) and MR1 executed an investment contract that indicated the investment funds would be returned along with 20% interest.
22. According to the investment contract, if the film was not produced by December 31, 2014, MR1 could demand the principal investment funds back.
23. The investment contract indicated the funds would be used “for the purpose of underwriting preparatory costs associated with final phases of development, thereby advancing the Picture towards physical production.”
24. The film was not produced by December 31, 2014.

### **MR1’s \$10,000 Initial Investment**

25. A review of AFC’s US Bank account ending in #1879 from December 2, 2013 to December 26, 2013 revealed, among other things:
  - a. one of the AFC Principals had sole signatory authority on the account;
  - b. a beginning balance of \$1,753.88 on December 2, 2013;
  - c. \$10,104.82 in deposits that included a \$10,000 wire from MR1 that was deposited on December 4, 2013;
  - d. a \$500 check to Blake for “AFFG finder’s fee”; and
  - e. a \$500 check to Ketcher for “AFFG Finder’s Fee”.

## II. CONCLUSIONS OF LAW

26. The Commissioner finds Respondents transacted business as unregistered agents in the state of Missouri in violation of 409.4-402(a), and that this conduct constitutes grounds to issue an order pursuant to Section 409.6-604.
27. 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.

## III. ORDER

**NOW, THEREFORE,** it is hereby Ordered that:

28. 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 engaging in violations of Section 409.4-402(a).
29. Respondents are ordered to disgorge \$500 in commissions received by both Respondents not previously disgorged as to the Missouri Resident referenced herein and as identified by the Enforcement Section. The payment shall be paid within 30 days of the date of execution of this Consent Order. The payment shall be made payable to the Missouri Secretary of State's Investor Restitution Fund and sent to the Securities Division at 600 West Main Street, Jefferson City, Missouri 65101. The Commissioner will take reasonable and necessary actions to distribute such funds to the aggrieved investor.
30. Respondents shall each pay \$1,000 to the Missouri Secretary of State's Investor Education and Protection Fund. The payment shall be paid within 30 days of the date of execution of this Consent Order. The payment shall be made payable to the Missouri Secretary of State's Investor Education and Protection Fund and sent to the Missouri Securities Division at 600 West Main Street, Jefferson City, Missouri 65101.
31. Respondents shall pay, jointly and severally, \$1,500 for the cost of this investigation. This amount 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 five years from the date of 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, individually or collectively, violated the Missouri Securities Act. Such payment shall be made payable to the Missouri Secretary of State's Investor Education and Protection Fund and sent to the Missouri Securities Division at 600 West Main Street, Jefferson City, Missouri 65101.

32. 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 6th DAY OF ~~NOVEMBER~~, 2018.

~~NOVEMBER~~ DECEMBER 2018

JOHN R. ASHCROFT  
SECRETARY OF STATE



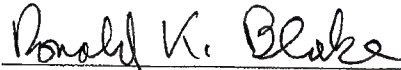
DAVID M. MINNICK  
COMMISSIONER OF SECURITIES

Consented to by:

THE ENFORCEMENT SECTION OF THE  
MISSOURI SECURITIES DIVISION



Steven Reed  
Director of Enforcement  
Counsel for Petitioner

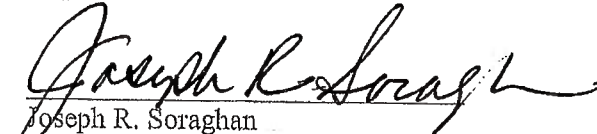


Donald K. Blake, Respondent



Michael H. Ketcher, Respondent

Approved as to Form:



Joseph R. Soraghan  
Danna McKittrick, P.C.  
7701 Forsyth Blvd., Ste. 800  
St. Louis, MO 63105  
Counsel for Respondent  
Mo Bar # 19126

