



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 RESPONDENT SCOTT STOLTZ**

1. The Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“Enforcement Section”), through Enforcement Counsel Derek Green, has alleged that Scott Stoltz (“Stoltz” or “Respondent”) violated Section 409.4-402(a), RSMo. (2016)<sup>1</sup>, by transacting business as an unregistered agent in the state of Missouri. This violation constitutes grounds to issue an order pursuant to Section 409.6-604.
2. Respondent and the Enforcement Section desire to settle the allegations and the matters raised by the Enforcement Section relating to the Respondent’s alleged violation of Section 409.4-402(a).

**CONSENT TO JURISDICTION**

3. Respondent and the Enforcement Section stipulate and agree that the Missouri Commissioner of Securities (“Commissioner”) has jurisdiction over Respondent and these matters pursuant to the Missouri Securities Act of 2003, Chapter 409, *et seq.*
4. Respondent 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. Respondent waives Respondent’s 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. Respondent waives any right that Respondent may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order. Respondent specifically forever releases and holds 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. Respondent stipulates and agrees 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. Respondent 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. Respondent agrees 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 Respondent's (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. Respondent agrees that Respondent is not the prevailing party in this action since the parties have reached a good faith settlement.
11. Respondent neither admits nor denies 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. Stoltz is a 48 year-old Missouri resident with a last known address at 2439 Chaucer Avenue, St. Louis, Missouri, 63114.
13. At all times relevant, Stoltz was not registered as an investment adviser, broker-dealer, investment adviser representative, broker-dealer agent, and/or issuer agent.
14. Apothecary Films, Corp. ("AFC") is a California company organized in the state of California on September 9, 2014. Stoltz was not an AFC principal, had no ownership in AFC and had no access to AFC's bank accounts.

15. 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.
16. Stoltz himself invested \$15,000 with AFC, which sum has never been repaid or returned to Stoltz.

### **Missouri Resident 2**

17. A 34-year-old St. Louis Missouri resident (“MR2”), was contacted by Stoltz who told MR about a film project.
18. AFC was to make a film titled *A Fall From Grace*.
19. Stoltz told MR2 that he had invested a substantial amount of money (MR2 didn’t know how much) in the film and believed the return on the investment would be good.
20. MR2 invested \$10,000 via wire to AFC’s US Bank account.
21. MR2 never communicated with any AFC Principals but did receive some materials from an AFC Principal, including a “Short Form Shareholder Terms” contract that stated, among other things, “Shareholder has agreed to invest a total amount of \$10,000 USD into Picture for the purpose of preparatory costs associated with the films packaging.”
22. The investment contract further stated that “Upon commencement of principal photography (the films ‘start date’ for shooting), Shareholder’s principal sum of \$10,000 plus a 30% premium (for a total payout of \$13,000) will be paid back on an equal basis with the other shareholders in the Picture during and while filming is taking place. Producer will pay this to Shareholder within 15 days of receipt.”
23. MR2 was to receive one-quarter of one percent (0.25%) from the Producers backend pool from which royalties, residuals, and global returns are received.
24. Per the investment contract, “Shareholder is to be notified by mail or email if Picture will not be produced or filmed on or before December 31, 2015. Upon such notification, Shareholder will have first option to assign and transfer the \$10,000 principal investment and its 30% premium to an alternative Apothecary Films production of Shareholder’s choice. A written assignment will be executed between undersigned parties identifying the alternative Apothecary films production.”
25. The investment contract was signed by MR2, MR2’s spouse, and two AFC Principals, Eric Wilkinson and David Michaels. Stoltz was not a signatory to the investment contract.
26. Neither of the films was completed by December 31, 2015.

27. On or about January 25, 2016, MR2, MR2's spouse, and two AFC principals, Eric Wilkinson and David Michaels, executed a contract titled "A FALL FROM GRACE Addendum" that added an additional film property, "Strange Blood", to the terms of "Short Form Shareholder Terms" contract.

**MR2's \$10,000 Initial Investment**

28. A review of AFC's US Bank account ending in #1879 from June 1, 2015 to June 30, 2015 revealed, among other things:
- a. a beginning balance of \$645.90 on June 1, 2015;
  - b. \$16,525.64 in deposits that included a \$10,000 wire from MR2 that was deposited on June 11, 2015; and
  - c. a \$1,000 check to Stoltz for "AFFG finder's fee";

**CONCLUSIONS OF LAW**

29. The Commissioner, after consideration of the stipulations set forth above and on the consent of Respondent and the Enforcement Section, finds and concludes that the Commissioner has jurisdiction over Respondent 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.

**II. ORDER**

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

30. Respondent, his 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) for the benefit of AFC or its principals, or any other entity unless registered or exempt from registration.
31. Respondent is ordered to disgorge \$1,000 in commissions received by Respondent 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.
32. Respondent shall pay \$500 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.

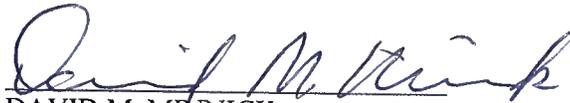
33. Respondent shall pay \$1,500 for the cost of this investigation. This amount shall be suspended provided Respondent comply with the terms of this Consent Order and does not violate the Missouri Securities Act for a period of five years from the date of execution of this Consent Order. This suspended amount shall become due immediately upon the sooner of (1) Respondent's 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 Respondent 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.
34. Respondent shall pay his 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 21st DAY OF DECEMBER, 2018.



JOHN R. ASHCROFT  
SECRETARY OF STATE

  
DAVID M. MINNICK  
COMMISSIONER OF SECURITIES

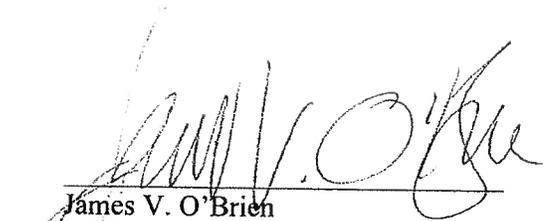
Consented to by:

THE ENFORCEMENT SECTION OF THE  
MISSOURI SECURITIES DIVISION

  
Steven Reed  
Enforcement Counsel  
Counsel for Petitioner

  
Scott Stoltz, Respondent

Approved as to Form:



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James V. O'Brien  
Buchanan, Williams, & O'Brien, PC  
2240 S Brentwood Blvd.  
Brentwood, MO 63144  
Counsel for Respondent