



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)	
)	
PROGRESS MARKETING MANAGEMENT,)	
LLC; and SHAJUAN A. BUTLER,)	Case No. AP-19-14
)	
<i>Respondents.</i>)	
)	
Serve: Progress Marketing Management, LLC)	
Registered Agent: Shajuan A. Butler)	
4521 Holman Lane)	
St. Louis, MO 63134)	
)	
and)	
)	
Shajuan A. Butler)	
at)	
1584 Highway J)	
Wright City, MO 63390)	
)	
and)	
)	
16 San Miguel, Apt. H)	
St. Charles, MO 63303)	

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

On September 4, 2019, 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 (“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

On or around November 5, 2018, Shajuan Butler (“Butler”) persuaded a Richmond, Texas, resident (“TR”) to invest in a company called Progress Marketing Management, LLC (“PMM”). The company’s website revealed that Butler was offering an inflated 40% rate of return on investments and representing that these investments have “virtually no risk.” TR invested \$10,000 and received an initial \$3,500 “return” on his \$10,000 investment. Since that time, TR is unable to locate or contact Butler and has not received any additional returns or been able to withdraw his principal.

B. Respondents and Related Parties

1. Progress Marketing Management, LLC, with an address of 4521 Holman Lane, Saint Louis, Missouri 63134, is a limited liability company organized in the State of Missouri on October 8, 2018. Its registered agent is Butler.
2. 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 PMM.
3. Butler is a 28 year-old Wright City, Missouri, resident with a last known address of 1584 Highway J, Wright City, Missouri 63390.
4. A check of the Central Registration Depository (“CRD”) indicates that Butler has never been registered as a broker-dealer, broker-dealer agent, investment advisor, investment advisor representative, and/or issuer agent.
5. Butler is currently on felony probation for forgery in St. Charles County Circuit Court, Case No. 0911-CR06373-01.
6. TR is a resident of Richmond, Texas.

C. Enforcement Section’s Investigation

Investment by TR

7. On or about April 12, 2019, the Enforcement Section opened an investigation on PMM and Butler after receiving a referral from the Financial Industry Regulatory Authority (“FINRA”) providing, among other things, the following information:
 - a. TR stated he had invested \$10,000 with Butler after Butler guaranteed he would receive a 40% return on his investment every two to three weeks; and
 - b. TR invested \$10,000 on November 5, 2018 by means of wire transfer to Butler’s bank account.

Enforcement Section Letter to Progress Marketing Management and Shajuan Butler

8. On June 11, 2019, the Enforcement Section mailed a letter via certified mail with receipt number 7017 1450 0000 7511 3633 to PMM requesting, among other things, the following:
 - a. a list of all investors in PMM, including but not limited to, names, address, telephone number, date(s) and amount(s) invested; and description of investment;
 - b. copies of all documents provided to or signed by investors of PMM;
 - c. copies of all correspondence to, from, or about PMM, sent to investors;
 - d. name and address of financial institution(s) where investors' money was deposited;
 - e. a narrative explaining how investor funds were used; and
 - f. dates and amount of payments made to investors.
9. On June 24, 2019, the letter was returned as 'Return to Sender, Not Deliverable as Addressed; Unable to Forward.'
10. On June 26, 2019, the Enforcement Section sent a Subpoena requesting the above information via certified mail with receipt number 7017 1450 0000 7511 3657. The letter was returned as 'Return to Sender, Not Deliverable as Addressed; Unable to Forward.'

Progress Marketing Management Website

11. PMM's website, <https://progressmarketing.info>, provides the following, among other items:
 - a. "Great 40% ROI (Return on Investment), coming with daily reports upon request. The returns come back in just two weeks' time, at that time you choose to continue growing your wealth or pulling your funds (including original investment). That's Right, you don't lose out on any money. This has virtually no risk";
 - b. "Since 2010 we have helped create portfolios to meet long-term financial goals. Have questions about investments, retirement? One of our credentialed professionals would be glad to help";
 - c. "We start by clarifying our fee structure and explaining the different ways we can help. We help you invest in Social marketing Campaigns that are sure to hit. We run test [sic] with our own funds so we know what works when were [sic] helping a client"; and

- d. “Our team is comprised of people with different kinds of finance experience, but we all have this in common – a commitment to ethics and integrity. We’re all fully licensed and credentialed. And you can count on unbiased recommendations and impartial guidance”.

Documents Produced by TR

12. TR provided copies of his text message conversations with Butler. The following is a summary:
 - a. October 30, 2018 – Butler promises a 40% return in two to three weeks and the return of the principal;
 - b. November 5, 2018 – TR wires \$10,000 to Butler’s Bank of America account ending in 6531;
 - c. November 8, 2018 – Butler provides TR with screenshots of digital ads to show TR how his money is being invested;
 - d. November 29, 2018 – TR receives a \$3,500 “return” on his investment. Butler fails to address why it is less than the guaranteed 40% return;
 - e. January 2, 2019 – Butler stated that all investors have suffered from a “cyber-attack” and “PMM has been under heavy investigation trying to not only uncover the culprit, but also to figure out where the company funds have been moved. We haven’t been able to give out many details because we truly don’t have any ourselves outside of what the authorities give to us. We appreciate your patience & look forward to recovering all that has been lost and more”; and
 - f. January 8 through February 2019 – TR requested the return of his investment multiple times, but receives no response from Butler.
13. The Enforcement Section spoke with TR on August 29, 2019, via telephone and TR stated, among other things:
 - a. TR found out about the investment through a Google ad – it was listed as a top three or four investment opportunity;
 - b. TR had called and spoke with Butler and was guaranteed 40% return every two weeks. There were different returns at different tiers of investment;
 - c. once the contract was signed and approved on November 4, 2018, TR wired \$10,000 from his Chase Bank account to PMM’s Bank of America account;

- d. TR received one return back in the amount of \$3,500, but never received any information as to why it wasn't the full \$4,000 he was originally guaranteed;
- e. in December 2018, Butler stated there was a cyber-attack or virus and there was a breach in the system and all the funds were taken; and
- f. since January, TR has sent emails and phone messages, but there has been no response from Butler.

Material false statements, failures to disclose, and omissions

- 14. Butler failed to disclose that there was no registration, granted exemption, or notice filing indicating status as a "federal covered security" for any securities issued by PMM.
- 15. Butler omitted to disclose that Butler has never been registered as a broker-dealer, broker-dealer agent, investment advisor, investment advisor representative, and/or issuer agent.
- 16. Butler failed to disclose that Butler is currently on felony probation for forgery in St. Charles County Circuit Court, Case No. 0911-CR06373-01 for offenses committed on or about May 27, 2009, and that he has been on probation since December 9, 2011.
- 17. Butler misrepresented that he and PMM could provide a 40% ROI (Return on Investment) and that he would provide daily reports upon request.
- 18. On information and belief, Butler misrepresented that there was a cyber-attack or virus and there was a breach in the system and all the funds were taken.

II. COMMISSIONER'S DETERMINATIONS AND FINDINGS

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

- 19. **THE COMMISSIONER DETERMINES** that Respondents offered and sold unregistered, non-exempt securities in the form of a contract to pay a 40% return:
 - a. "Sale" and "offer to sell" are defined in Section 409.1-102(26).¹ Respondents solicited TR to invest in PMM with the promise of a 40% return every two or three weeks and received funds from TR. This activity constitutes the offer and sale of securities; and
 - b. "investment contract" is enumerated in the list of items that are securities in Section 409.1-102(28). The investment Respondents offered and sold to investors are investment contracts, in that:
 - i. investors invested funds in a common enterprise with Respondents;

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

- ii. investors' funds were to be used by Respondents to generate returns;
 - iii. investors expected a profit from the efforts of Respondents and not from investors' own efforts; and
 - iv. investors' expected profits were interwoven with and dependent upon the efforts of Respondents.
20. TR invested money with a reasonable expectation of profits, including through the increased value of their investments, based on the managerial efforts of others.²
21. 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.
22. 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.
23. Respondents offered and sold unregistered securities in violation of Section 409.3-301 and engaged in 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

24. **THE COMMISSIONER FURTHER DETERMINES** that Respondent Butler transacted business as an unregistered agent in the state of Missouri.
25. Respondent offered and/or sold securities to investors in Missouri.
26. These activities constitute transacting business as an agent in the state of Missouri under Section 409.1-102(1).
27. At all times relevant to this matter, Respondent was not registered as an agent in the state of Missouri.
28. Respondent offered and/or sold securities to investors in Missouri without being registered or exempt from registration as an agent in violation of Section 409.4-402(a), and engaged in an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

² See *SEC v. Edwards*, 540 U.S. 389, 393 (2004); *SEC v. W.J. Howey Co.*, 328 U.S. 293, 301 (1946)

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

29. **THE COMMISSIONER FURTHER DETERMINES** that in connection with the offer, sale or purchase of a security, Respondents 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. Butler failed to disclose that there was no registration, granted exemption, or notice filing indicating status as a “federal covered security” for any securities issued by PMM;
 - b. Butler omitted to disclose that Butler has never been registered as a broker-dealer, broker-dealer agent, investment advisor, investment advisor representative, and/or issuer agent;
 - c. Butler failed to disclose that Butler is currently on felony probation for forgery in St. Charles County Circuit Court, Case No. 0911-CR06373-01 for offenses committed on or about May 27, 2009, and that he has been on probation since December 9, 2011, to the present date;
 - d. Butler misrepresented that he and PMM could provide a 40% ROI (Return on Investment) and that he would provide daily reports upon request; and
 - e. on information and belief, Butler misrepresented that there was a cyber-attack or virus and there was a breach in the system and all the funds were taken.
30. Respondents made an untrue statement of material fact, 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 or engaged in an act, practice, or course of business that would operate as a fraud or deceit upon another person in violation of Section 409.5-501, and engaged in an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner’s authority under Section 409.6-604.
31. 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(a), by transacting business as an unregistered agent; and
- C. 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.

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. \$10,000 against Respondents for violations of Section 409.3-301 in a final order, unless Respondents request a hearing and shows cause why the penalties should not be imposed;
- B. \$10,000 against Respondent Butler for violations of Section 409.4-402(a) in a final order, unless Respondent request a hearing and shows cause why the penalties should not be imposed;
- C. \$10,000 against Respondents for violations of Section 409.5-501 in a final order, unless Respondents request a hearing and shows cause why the penalties should not be imposed.
- D. an order to pay restitution for any loss, including the amount of any actual damages that may have been caused by the Respondents' conduct. The amount of restitution payable at present is \$6,500 plus interest from the date of the violation causing the loss. Further, an order for Respondents to disgorge any profits arising from any violation of Sections 409.3-301, 409.4-402, and 409.5-501.
- E. an order against Respondents to pay the costs of the investigation in this proceeding, after a review of evidence of the amount submitted by the Enforcement Section.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,
MISSOURI THIS 5th DAY OF SEPTEMBER, 2019.



JOHN R. ASHCROFT
SECRETARY OF STATE



DAVID M. MINNICK
COMMISSIONER OF SECURITIES



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OFFICE OF SECRETARY OF STATE

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16 San Miguel, Apt. H)	
St. Charles, MO 63303)	

NOTICE

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

You may request a hearing in this matter within thirty (30) days of the receipt of this Order pursuant to Section 409.6-604(b), RSMo 2016, 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 this 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, Missouri, 65102

CERTIFICATE OF SERVICE

I hereby certify that on this 5th day of September, 2019, a copy of the foregoing Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, and Costs Should Not Be Imposed in the above styled case was **mailed by certified U.S. mail to:**

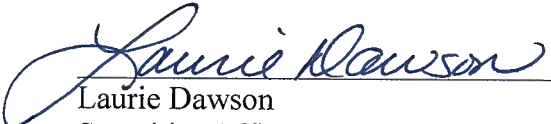
Progress Marketing Management, LLC
Registered Agent: Shajuan A. Butler
4521 Holman Lane
St. Louis, MO 63134

and

Shajuan A. Butler
at
1584 Highway J
Wright City, MO 63390

and

16 San Miguel, Apt. H
St. Charles, MO 63303


Laurie Dawson
Securities Office Manager