



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
BRENDALEETRADES.COM,)
its unknown principals, employees, and agents,) Case No.: AP-21-04
)
Respondents.)
)
Serve: BrendaLeeTrades.com)
Brendalee@financier.com)
Officialbrendaleegramm@gmail.com)

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

On April 27, 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 Civil Penalties, Restitution, Disgorgement of Profits, 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

From at least April 3, 2021, a self-described online trading company with the domain name www.brendaleetrades.com ("BLT") has been falsely claiming to be an employee at a St. Louis based investment firm ("STL Firm"), and offering brokerage and investment advisory services when not registered to offer such services. By engaging in these activities and conduct, Respondents violated Sections 409.4-401(a), 409.4-403(a) and 409.5-501 of the Missouri Securities Act.¹

¹ Unless otherwise noted, all statutory references are to the 2020 Supplement to the 2013 Revised Statutes of Missouri.

B. Respondents and Related Parties

1. BLT maintains a website that claims to have an address at 1468 Kimbrough Rd., Suite 101, Germantown, Tennessee 38138. However, that address is occupied by STL Firm and not affiliated in any way with BLT.
2. A check of the records maintained by the Commissioner, the Securities and Exchange Commission, and the Financial Industry Regulatory Authority (“FINRA”) indicates that while the individual identified on the BLT website (“IAR1”) is a registered representative, the parties behind BLT have never been registered as a broker-dealer or investment adviser.

C. Enforcement Section’s Investigation

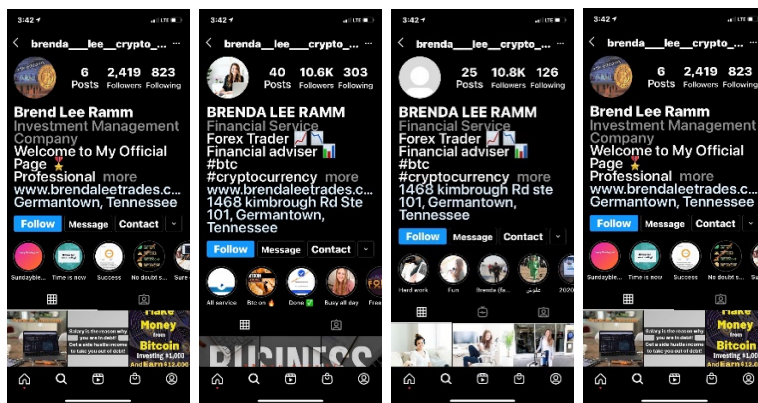
3. On April 23, 2021, managing counsel at STL Firm contacted the Enforcement Section regarding BLT and described how BLT claimed to be affiliated with the firm.
4. On April 13, 2021, STL Firm received a call from a person identifying himself as “Pedro” claiming to be a client of IAR1 and that he had lost \$100,000.
5. On April 14, 2021, STL Firm received a second call from “Pedro” wherein he told another investment adviser representative (“IAR2”) that he had been chatting with IAR1 about cryptocurrency purchases. IAR2 transferred the call to voicemail.
6. On April 15, 2021, STL Firm received a third call to another employee (“IAR3”) wherein a male voice identified himself as “Ongrd” claimed to have been corresponding with IAR1 on Instagram concerning cryptocurrency. IAR3 requested some documentation. The individual called back at a later time seeking information about STL Firm. Suspecting a scam, IAR3 terminated the call.
7. It was discovered while looking into the three calls that the BLT website existed and that there were five Instagram accounts and a Facebook page associated with BLT.
8. The images of IAR1 associated with IAR1’s name on the website, Instagram accounts, and Facebook page were determined to be stock images taken from a mobile messaging application called WhatsApp. The images on the website were dated April 3, 2021.
9. The phone number listed on the BLT website (240-490-2665) is not associated with STL Firm and the area code actually covers an area in Maryland that includes Germantown, Maryland.
10. STL Firm is not and nor has it ever been affiliated with BLT.
11. The employee name represented on the website, Instagram sites and Facebook page is an actual employee of STL Firm but is not affiliated with BLT and was completely unaware that BLT was using the employee’s name, likeness, and business address as their own.

www.brendaleetrades.com

12. The Enforcement Section reviewed BLT’s website at www.brendaleetrades.com and found, among other things, following claims and quotes:
- a. BLT purports to have an address located at 1468 Kimbrough Rd, Ste. 101, Germantown, Tennessee 38138;
 - b. “Financial Freedom Within Reach Online Trading with Brenda Lee”;
 - c. “Financial Consultant & Brokerage Expert A financial Consultant, Crypto Optimist and Forex Trader based in USA. I have rich experience in. investment analysis & brokerage services. I have about 15 years of experience with over 5 firms and 23 state licenses. I Am a registered investment adviser with FINRA and other self-regulatory Organization (SRO). I provide advice about securities to clients; in addition, managing investments portfolios and offering financial planning services” [sic];
 - d. “ForexTrade I assist clients with multiple interactive services, giving them a look into the huge untapped market, all while ensuring financial success”;
 - e. “i Take Pride in my Numbers 15 Years of Experience 3 Exams Passed 23 State Licenses 5 Firms”[sic]; and
 - f. “I’m Available To Help You Make Significant Profit With Your Investment”.

Instagram Pages

13. The Enforcement Section reviewed BLT’s Instagram accounts [brenda__lee_crypto_](#), [brenda__lee_crypto_](#), [brenda__lee_crypto_](#), [brenda__lee_crypto_](#), and [brenda__lee_crypto_](#).² Screenshots of four of the Instagram accounts³ are below:



² In addition to some of the stock images and comments, the Instagram accounts are distinguished by the number of underscore marks after words in the page title.

³ The fifth Instagram account was removed prior to Enforcement Section’s collection of screenshots.

14. The Instagram sites contained, among other things, the following:
 - a. they purport to have an address located at “1468 kimbrough [*sic*] Rd Ste 101, Germantown, Tennessee”;
 - b. they claim that BLT engages in Forex trading, is a financial adviser, and deals in cryptocurrency;
 - c. they contain stock images of a female and bitcoin currency images;
 - d. they purport to have more than 26,000 followers combined; and
 - e. posts containing Arabic language.
15. The Enforcement Section found no evidence that IAR1 deals in Forex trading or cryptocurrency transactions.

Communications with BLT

16. Posing as an elderly investor, an Enforcement Section investigator (“Investigator”) used the chat feature in BLT’s website on April 23, 2021. The individual responding (“BLT Agent”) to the chats identified herself/himself as IAR1.
17. During the conversation BLT Agent attempted to direct Investigator to send messages through the online messaging application called WhatsApp.
18. Feigning ignorance to WhatsApp, Investigator was directed to communicate via Instagram.
19. Investigator made multiple requests to speak directly via telephone with a representative and was informed by BLT Agent that the firm didn’t take calls because there were too many devices connected and accepting calls might lead to the loss of trades.
20. When pressed about a phone call, BLT Agent informed Investigator that the firm does not conduct business over the phone due to security concerns.
21. Investigator then asked for the opportunity to meet someone in person and was informed that the firm does not allow in person meetings either.
22. BLT Agent then told Investigator to open a cryptocurrency wallet by going to a Bitcoin ATM and purchasing \$1500 to \$2000 in bitcoin.
23. BLT Agent represented to Investigator that \$1500 to \$2000 would produce a good return with the firm and that once Investigator’s account was self-funded with the Bitcoin purchase, Investigator would be able to monitor and track transactions via the firm’s website.

24. BLT Agent told Investigator that once the account was set up and funded, Investigator would see profits within seven days.
25. Investigator inquired of BLT Agent about the possibility that this was a scam and was told in response, “You won’t find me on the internet if this is a scam or review about me.”
26. Investigator observed numerous typos and grammar errors during the chat session.
27. Ultimately, when pressed about an email address to send correspondence, BLT Agent provided Investigator with the email address of Officialbrendaleeram@gmail.com.
28. BLT, through its website, the website chat feature, Instagram accounts, and Facebook page is intentionally omitting to disclose material information and making misleading statements that are likely to deceive the investing public by, among other things:
 - a. making it appear BLT is IAR1 and is properly securities-registered when it is not;
 - b. not disclosing who the principals or managers of BLT are;
 - c. falsely claiming to be affiliated with STL Firm;
 - d. falsely claiming to have been founded by an employee of STL Firm; and
 - e. falsely claiming to have an office located at 1468 Kimbrough Rd, Ste. 101, Germantown, Tennessee 38138.
29. The BLT website promises significant profit by investing with BLT.
30. The Enforcement Section’s investigation will continue in an effort to identify the individuals behind the fraudulent website, chat feature, Instagram accounts, Facebook page, and violations of the Missouri Securities Act.

II. COMMISSIONER’S DETERMINATIONS AND FINDINGS

Transacting Business as an Unregistered Broker-Dealer

31. **THE COMMISSIONER DETERMINES** that Respondents are not registered nor exempt from registration as a Broker-Dealer.
32. Respondents attempted to transact business within the State of Missouri by soliciting Investigator to purchase Bitcoin to fund an account that would be used to trade in foreign exchanges and cryptocurrency.
33. Respondents’ violations of Section 409.4-401(a) constitutes engagement in an illegal act, practice, or course of business subject to the Commissioner’s authority under Section 409.6-604.

34. 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).

Transacting Business as an Unregistered Investment Adviser

35. **THE COMMISSIONER FURTHER DETERMINES** that Respondents transacted business as an unregistered investment adviser in the State of Missouri by advising others as to the value of securities or the advisability of buying and selling securities.
36. Respondents' activities constitute giving investment advice in the State of Missouri in violation of Section 409.4-403(a).
37. At all times relevant to this matter, Respondents had no registration or granted exemption from registration as an investment adviser.
38. Respondents' conduct in violation of Section 409.4-403(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.

Making Untrue Statements, 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

39. **THE COMMISSIONER FURTHER DETERMINES** that Respondents through its website are intentionally omitting to disclose material information and making misleading statements that are likely to deceive the investing public, and engaging in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person by, among other things:
- a. BLT states it has an address located at 1468 Kimbrough Rd, Ste. 101, Germantown, TN 38138;
 - b. "Financial Freedom Within Reach Online Trading with Brenda Lee";
 - c. "Financial Consultant & Brokerage Expert A financial Consultant, Crypto Optimist and Forex Trader based in USA. I have rich experience in. investment analysis & brokerage services. I have about 15 years of experience with over 5 firms and 23 state licenses. I Am a registered investment adviser with FINRA and other self-regulatory Organization (SRO). I provide advice about securities to clients; in addition, managing investments portfolios and offering financial planning services"[sic];
 - d. "ForexTrade I assist clients with multiple interactive services, giving them a look into the huge untapped market, all while ensuring financial success";
 - e. "i Take Pride in my Numbers 15 Years of Experience 3 Exams Passed 23 State Licenses 5 Firms" [sic];

- f. “I’m Available To Help You Make Significant Profit With Your Investment”;
 - g. making it appear BLT is IAR1 and is properly securities-registered when it is not;
 - h. not disclosing who the principals or managers of BLT are;
 - i. falsely claiming to be affiliated with STL Firm;
 - j. falsely claiming to have been founded by an employee of STL Firm; and
 - k. falsely claiming to have an office located at 1468 Kimbrough Rd, Ste. 101, Germantown, Tennessee 38138.
40. Respondents made untrue statements 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.
41. 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 409.4-401(a), by transacting business as an unregistered broker-dealer firm;
- B. Section 409.4-403(a), by transacting business as an unregistered investment adviser; and
- C. Section 409.5-501, by, in connection with the offer or sale of securities, making untrue statements 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. \$25,000 against Respondents for violation of Section 409.4-401(a), in a final order, unless

Respondents request a hearing and show cause why the penalties should not be imposed:

- B. \$25,000 against Respondents for violation of Section 409.4-403(a), in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;
- C. \$25,000 against Respondents for violation of Section 409.5-501, in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;
- D. an order that Respondents be permanently barred in Missouri from acting as investment advisers, investment adviser representatives, broker-dealers and broker-dealer agents;
- E. an order to pay restitution in the amount of any actual damages against Respondents, plus annual interest at a rate of 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 and awarding any additional amounts to be determined after review of the evidence submitted by the Enforcement Section;
- F. an order to disgorge profits in the form of commissions arising from any violations of Sections 409.4-401(a), 409.4-403(a), and 409.5-501, in a final order, in an amount to be determined after review of the evidence submitted by the Enforcement Section unless Respondents request a hearing and show cause why disgorgement should not be imposed;
- G. an award of the costs of the investigation against Respondents in 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
- H. an order that the Commissioner provides 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 27th DAY OF APRIL, 2021.



JOHN R. ASHCROFT
SECRETARY OF STATE


DAVID M. MINNICK
COMMISSIONER OF SECURITIES



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

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Brendalee@financier.com)
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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 (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 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 ^{2nd} day of April, 2021, a copy of the foregoing Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, Disgorgement of Profits and Costs Should Not Be Imposed in the above styled case was **emailed to:**

BrendaLeeTrades.com
Brendalee@financier.com
Officialbrendaleegramm@gmail.com


Laurie Dawson
Securities Office Manager