STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
WILLIAM F. CLARK,) Case No.: AP-25-09
)
Respondent.)

CONSENT ORDER

1. The Enforcement Section of the Missouri Securities Division of the Office of Secretary of State ("**Enforcement Section**"), through Director of Enforcement Douglas M. Jacoby, alleges that between February 2, 2024 to October 1, 2024 (the "**Relevant Period**"), Respondent William F. Clark solicited and sold investment contracts to at least two investors —receiving sales compensation from the issuer on at least one of the sales to a Missouri-resident investor. At the time of the transactions, Respondent was not registered or exempt from registration as an agent. Such alleged conduct constitutes violations of Section 409.4-402(a) of the Missouri Securities Act of 2003, Chapter 409, *et seq*. (the "**Act**")[1]. The Enforcement Section alleges that Respondent's actions constitute sufficient grounds for the Missouri Commissioner of Securities ("**Commissioner**") to impose a civil penalty on Respondent in accordance with Section 409.6-604.

2. Respondent and the Enforcement Section desire to settle the allegations raised in this matter by the Enforcement Section relating to the alleged violations of Section 409.4-402(a).

CONSENT TO JURISDICTION

3. Respondent and the Enforcement Section stipulate and agree that the Commissioner has jurisdiction over Respondent and this matter pursuant to the Act.

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:

[1] Unless otherwise indicated, statutory citations refer to the 2016 edition of the Revised Statutes of Missouri, updated by the 2024 Cumulative Supplement.

> "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 any right to a hearing with respect to this matter.

6. Respondent waives any rights that he 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 the 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, 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 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 defense of litigation or in defense of other legal proceedings in which the Commissioner is not a party; or (c) right to make public statements that are factual.

10. Respondent agrees that he 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 or the Findings of the Commissioner, but consents 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 Order, and for no other purpose.

THE COMMISSIONER'S FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

I. FINDINGS OF FACT

A. Respondent

12. **William F. Clark** is a fifty-two-year-old Jackson, Missouri, resident. Since August 18, 2009, Respondent has been a licensed insurance producer through Missouri Department of

Commerce and Insurance with license #833659, and, during the Relevant Period, conducted a part-time business as an independent insurance agent. According to the records maintained in the Central Registration Depository (“**CRD**”), Respondent has never been registered in Missouri as a broker agent (“**Agent**”) or investment adviser representative.

B. Other Relevant Parties

13. **Henry Paul Regan, Jr.** (“**Regan**”) is a forty-eight-year-old New York-born United States citizen who, from at least July 2022, has lived in the country of Colombia. From 1999 through 2002, Regan was associated with five different registered broker-dealers and previously held Series 7 and Series 63 securities licenses (CRD #2821364). He has never been registered as an Agent in Missouri. Regan has relevant disciplinary history.[2]

14. **Yield Wealth Ltd.** (“**Yield Wealth**”) was a U.S. Securities and Exchange Commission (“**SEC**”) registered investment adviser from February 8, 2024 through September 5, 2024. Yield Wealth is identified in CRD with number 329688. Yield Wealth terminated its SEC registration on September 5, 2024.

15. **The Mega High-Yield Term Deposit LP** (“**MEGA**”) is a Delaware limited partnership. Mega High Yield purports to be a private fund offering investors fully insured term deposits with an annual percentage yield of 6.5 to 10.5 percent. On April 9, 2024, MEGA filed an exempt offering under Regulation D with the SEC.

16. **Yield Capital Management, Inc.** (“**Yield Capital**”) is a South Dakota corporation that purported to be the general partner of and serve as investment manager for MEGA. Yield Capital has never been registered with the SEC or Missouri in any capacity. According to federal sources, Regan claimed to be the co-founder and chairman of Yield Capital.

C. Facts

Background

17. On February 20, 2025, the Enforcement Section received a referral (“**Referral**”) from the Financial Industry Regulatory Authority, Inc. (“**FINRA**”) of a complaint originally submitted to FINRA by a fifty-four-year-old Cape Girardeau, Missouri resident and investor (“**MR**”).

[2] See, among other things, Complaint, *SEC v. Henry Paul Regan, Jr.*, 1:25-cv-07343, filed 9/4/2025, at chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.sec.gov/files/litigation/complaints/2025/comp26392.pdf; Indictment, *United States v. Regan*, 25-CR-00183-VEC (SDNY), filed 4/22/2025, at chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.justice.gov/usao-sdny/media/1413541/dl?inline#:~:text=PAUL%20REGAN%2C%20the%20defendant%2C%20and,Level%20and%20Yield%20investment%20products.; Regan pleaded guilty to one count of organized fraud greater than $50,000 in Miami-Dade County Court for the State of Florida in connection with the sale of promissory notes, F-16-002837-A, 5/30/2017, at https://www2.miamidadeclerk.gov/cjis/casesearchinfo?qs=uoPdDVfJ6VMN48qmP0TsQkxH3w7FgksUB6y62xnj5C4pORwq%252FHqrIzcrA47hAmwc; Notice of Regan’s bar from association with any FINRA member in any capacity, dated 8/03/2004, at https://brokercheck.finra.org/individual/summary/2821364;

18. Based upon the allegations presented in the Referral, the Enforcement Section opened an investigation for review and resolution of potential violations of the Act.

The MEGA Investment

19. MEGA marketing materials touted MEGA as "revolutionizing the banking industry" by, among other things, "offering yields up to 10.5% APY" and the option for investors[3] to tailor the frequency—monthly, quarterly, or annually—with which they would receive interest distributions from their MEGA investment.

20. The marketing materials further purported to afford such exorbitant yields because, unlike banks, thrifts and other financial institutions, Yield Capital claimed to be "an expansive financial services company with a portfolio of vertically-integrated businesses" that, through products like MEGA, shares its earnings with investors.

21. According to the Private Placement Memorandum ("**PPM**") for MEGA, investor funds would be used to "invest, directly or indirectly, in assets designed to provide [MEGA] with sufficient cash flows to meet or exceed target returns" to its investors. Further, the PPM stated that "[t]he strategies, tactics, and specific investments [made with MEGA investor funds] will be at the sole discretion of MEGA's General Partner", which was Yield Capital.

22. The PPM for MEGA also stated the "[i]nvestors will not have an opportunity to evaluate the investments made by MEGA or the terms of any investment. Investors should expect to rely solely on the ability of the General Partner to make an appropriate investment for MEGA and to appropriately manage and dispose of the investment…Investors will have no part in the management and control of [MEGA]."

23. To subscribe to the MEGA investment, investors were required to establish "accounts" at Yield Wealth, which, given that Yield Wealth was an SEC-registered investment adviser, were not savings or checking accounts subject to Federal Deposit Insurance Corporation (FDIC) protection but investment accounts that Yield Wealth had custodied at a so-called alternative custodian, New Vision Trust Company ("**New Vision Trust**"), and administered by American IRA ("**American IRA**").

24. Section 409.1-102(28) of the Act provides, in relevant part,

> 'Security' means…investment contract…. The term ['Security']:
>
> (D) Includes as an 'investment contract' an investment in a common enterprise with the expectation of profits to be derived primarily from the efforts of a person other than the investor and a 'common enterprise' means an enterprise in which the fortunes of the investor are interwoven with those of either the person offering the investment, a third party, or other investors; and

[3] While MEGA marketing materials routinely used the term "depositor," the Limited Partnership Agreement and Subscription Agreement for MEGA used the terms "Investor" and "Subscriber."

(E) May include as an 'investment contract', among other contracts, an interest in a limited partnership…

25. As a result of the foregoing, the Enforcement Section alleges that the MEGA Units are securities under the Act.

Alleged Violations

26. In or about early 2024, Respondent, among other independent insurance agents across the United States, was recruited by Regan to sell, among other things, limited partnership interest units ("**Units**") in MEGA.

27. In or around June 2024, Respondent, through indirect communications with MR's spouse and direct communications with MR during at least one visit to MR's residence, solicited MR the investment in MEGA.

28. In furtherance of effecting or attempting to effect MR's purchase of MEGA, Respondent instructed MR to transfer MR's individual retirement account ("**IRA**"), which at the time was custodied at Northwest Mutual Investment Services, LLC, to New Vision Trust, Yield Capital's selected custodian.

29. On June 20, 2024, after the transfer of MR's IRA to New Vision Trust had been completed, MR executed a MEGA Limited Partnership Agreement and MEGA Subscription Agreement to purchase 196.03394 Units of MEGA at a total purchase price of $196,033.94. On that same day, MR provided instructions to American IRA to wire funds to pay for the MEGA investment.

30. On July, 1, 2024, Respondent received compensation equaling 6% of the total purchase price of MR's investment in MEGA. The payment, a wire transfer, was sent to Respondent from the same TD Bank account (the "**TD Bank Account**") into which MR's funds were wired to purchase Units in MEGA.

31. Statements from the TD Bank Account show similar wire transfers to other known individuals who, like Respondent, successfully solicited investments in MEGA, on behalf of MEGA and Yield Capital, to investors across the United States.

32. Section 409.4-402(a) of the Act provides, in relevant part,

> It is unlawful for an individual to transact business in this state as an agent unless the individual is registered under this act as an agent or is exempt from registration….

33. Section 409.1-102(1) of the Act provides,

> 'Agent' means an individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect

> purchases or sales of securities **or represents an issuer in effecting or attempting to effect purchases or sales of the issuer's securities**. But a partner, officer, or director of a broker-dealer or issuer, or an individual having a similar status of performing similar functions is an agent only if the individual otherwise comes within the term. The term does not include an individual excluded by rule or adopted or order issued under this act. (emphasis added)

34. At no time during the Relevant Period was Respondent associated or employed by a broker-dealer, whether or not registered in Missouri.

35. Given that Respondent received compensation for MR's purchase of MEGA Units, Respondent does not qualify for any exemptive relief available in the Act or rules promulgated thereunder with respect to the registration of an individual who represents an issuer.

36. As a result of the foregoing, the Enforcement Section alleges that Respondent transacted business in Missouri as an Agent without being registered or exempt from registration under the Act.

37. The Enforcement Section alleges that the failure by Respondent to register as an Agent in Missouri during the Relevant Period violated Section 409.4-402(a) of the Act.

38. The Enforcement Section alleges that the actions by Respondent constitute sufficient grounds for the Commissioner to impose a sanction on Respondent in accordance with Section 409.6-604.

II. CONCLUSIONS OF LAW

39. **THE COMMISSIONER CONCLUDES** that the MEGA Units are securities under Section 409.1-102(28) of the Act.

40. **THE COMMISSIONER CONCLUDES** that, during the Relevant Period, Respondent transacted business in Missouri as an Agent, as defined under Section 409.1-102(1), for at least one investor, MR.

41. **THE COMMISSIONER CONCLUDES** that, during the Relevant Period, Respondent's failure to register as an Agent under the Act violated Section 409.4-402(a).

42. **THE COMMISSIONER CONCLUDES** that the violation above is sufficient to issue an order in accordance with Section 409.6-604.

43. The Commissioner, after consideration of the stipulations set forth above and on consent of Respondent and the Enforcement Section, find and conclude that the Commissioner has jurisdiction over Respondent in 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. <u>ORDER</u>

NOW, THEREFORE, it is hereby Ordered that:

44. Respondent, his agents and employees, and all other persons participating in the above-described alleged violation with knowledge of this Order, are permanently enjoined and restrained from engaging in conduct and/or activities subject to discipline under Section 409.4-402(a);

45. Respondent shall pay $5,881.02 to the Missouri Secretary of State's Investor Restitution Fund. **<u>This amount is due upon execution of this Order by Respondent and shall be made payable to the Missouri Secretary of State's Investor Restitution Fund</u>** and sent to the Missouri Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101. The Commissioner will take reasonable and necessary actions to distribute such funds to the investor set forth in Exhibit 1 attached herein; and

46. 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 29th DAY OF October, 2025.

DENNY HOSKINS, CPA
SECRETARY OF STATE

MICHAEL A. O'DONNELL
COMMISSIONER OF SECURITIES

Consented to by:

THE MISSOURI SECURITIES DIVISION

Douglas M. Jacoby
Director of Enforcement

RESPONDENT

William F. Clark