



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
PIF FINANCIAL SERVICES, LLC, et al.) Case No. AP-12-32
)
)
Respondents.)

FINAL ORDER TO CEASE AND DESIST AS TO PIF FINANCIAL SERVICES, LLC; PREMIER MORTGAGE SOLUTIONS, LLC; MICHAEL KITCHEN; DION MONROE; AND SHANNON R. INGRAM AND ORDER AWARDDING RESTITUTION, CIVIL PENALTIES, AND COSTS

Now on the 19th day of July, 2016, the Commissioner, having reviewed this matter, issues the following findings and order:

I. PROCEDURAL BACKGROUND

1. On December 5, 2012, the Enforcement Section of the Securities Division of the Office of Secretary of State (the "Enforcement Section"), through Assistant Commissioner Mary Hosmer, submitted a Petition for Order to Cease and Desist and Order to Show Cause why Restitution, Civil Penalties, and Costs Should not be Imposed in the above-captioned matter ("Petition").
2. On December 7, 2012, the Commissioner issued an Order to Cease and Desist and Order to Show Cause why Restitution, Civil Penalties, and Costs Should not be Imposed in the above-captioned matter ("Order"). On that same day, a copy of the Order and Notice of Right to Request a Hearing were mailed via Certified U.S. mail to Respondents' last known addresses.
3. On December 14, 2012, the Securities Division received the certified mail receipt showing that the Order sent to Respondent PIF Financial Services, LLC ("PIF") was received and signed for by Claudia Whitney at 220 Walden Court, Eureka, Missouri 63025-1130.
4. On December 24, 2012, Respondent Daniel P. Hance, Sr. ("Hance") submitted a letter to the Commissioner's office requesting a hearing in this matter.
5. On January 4, 2013, Respondent Garlanda Kitchen ("G. Kitchen"), through counsel, submitted a letter to the Commissioner's office requesting a hearing in this matter.

6. On January 7, 2013, Respondent Michael Kitchen (“Kitchen”) submitted a letter to the Commissioner’s office “demanding” a hearing for himself and for Respondents PIF and Premier Mortgage Solutions, LLC (“PM Solutions”).
7. On January 8, 2013, the Commissioner issued an order setting a hearing in this matter for April 4, 2013, and a prehearing conference for February 13, 2013.
8. On January 22, 2013, the Securities Division received the certified mail receipt showing that on January 15, 2013, the Order sent to Respondent PM Solutions, in care of Registered Agent Cheryl Gourley, was received and signed for by Christi Rill at 200 Startcrest Drive, Clearwater, Florida 33765.
9. On February 7, 2013, Respondent Dion Monroe (“Monroe”) was personally served a copy of the Order by the Johnson County, Kansas Sheriff’s Office at 16124 West 83rd Terrace, Lenexa, Kansas 66219.
10. On February 14, 2013, the Commissioner ordered Respondents to file an Answer by February 25, 2013, and notified that Respondents’ failure to file an Answer by that date would be grounds for having all factual allegations in the Petition admitted against them.
11. On March 4, 2013, the Commissioner issued an order in which the Respondents were again notified that a failure to file an Answer was grounds for having all factual allegations in the Petition admitted against them.
12. On March 28, 2013, Respondent Shannon R. Ingram (“Ingram”) was personally served a copy of the Order by the Johnson County, Kansas Sheriff’s Office at 8800 W. 85th Street, Overland Park, Kansas 66212.
13. On March 28, 2013, Petitioner filed a Petition for Final Order to Cease and Desist or in the Alternative for an Order Deeming Allegations Admitted as to Respondent Dion Monroe and a Statement of Penalties, Costs, & Restitution as to Respondent Dion Monroe.
14. On March 28, 2013, Petitioner filed a Request for Entry of Default and Motion for Default Judgment as to Respondent Michael Kitchen; an Affidavit in Support of Request for Entry of Default and Motion for Default Judgment as to Respondent Michael Kitchen; and a Statement of Penalties, Costs, & Restitution as to Respondent Michael Kitchen.
15. On March 28, 2013, Petitioner filed a Motion to Have Allegations with Respect to Respondent Daniel P. Hance Deemed Admitted; an Affidavit in Support of Motion to Deem Allegations Admitted as to Respondent Daniel P. Hance; and a Statement of Penalties, Costs, & Restitution as to Respondent Daniel P. Hance.
16. On April 2, 2013, Respondent Hance, through counsel, filed a Motion for Continuance; Respondent Hance’s Motion to File Answer Out of Time; and Respondent Hance’s Response to Petitioner’s Motion to Have Allegations with Respect to Daniel P. Hance

Deemed Admitted.

17. On April 30, 2013, Respondent Hance, through counsel, filed Respondent Hance's Answer to Petition for Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, and Costs Should Not Be Imposed.
18. On May 22, 2013, Petitioner filed a Motion to Have Allegations with Respect to Respondent PIF Financial Services, LLC Deemed Admitted and Request for Hearing on Penalties, Costs and Restitution; an Affidavit in Support of Motion to Deem Allegations Admitted as to Respondent PIF Financial Services, LLC; and a Statement of Penalties, Costs, & Restitution.
19. On May 22, 2013, Petitioner filed a Motion to Have Allegations with Respect to Respondent Premier Mortgage Solutions, LLC Deemed Admitted and Request for Hearing on Penalties, Costs and Restitution; an Affidavit in Support of Motion to Deem Allegations Admitted as to Respondent Premier Mortgage Solutions, LLC; and a Statement of Penalties, Costs, & Restitution as to Respondent Premier Mortgage Solutions, LLC.
20. On May 23, 2013, due to Respondent Kitchen's repeated failure to participate in this litigation the Commissioner granted in part the Petitioner's Motion for Default and ordered the Petitioner and Respondent Kitchen to submit documents from which the Commissioner could determine how much restitution, costs, and civil penalties would be entered against Respondent Kitchen no later than June 21, 2013.
21. On June 21, 2013, Petitioner filed a Statement of Penalties, Costs, & Restitution as to Respondent Michael Kitchen.
22. On July 3, 2013, Petitioner filed a Motion to Have Allegations with Respect to Respondent Shannon R. Ingram Deemed Admitted and Request for Hearing on Penalties, Costs and Restitution; an Affidavit in Support of Motion to Deem Allegations Admitted as to Respondent Shannon R. Ingram; and a Statement of Penalties, Costs, & Restitution as to Respondent Shannon R. Ingram.
23. On July 29, 2013, the Commissioner issued a Consent Order as to Respondent G. Kitchen.
24. On October 31, 2013, the Commissioner issued a Consent Order as to Respondent Hance.
25. On May 25, 2016, the Commissioner issued an order that the Petition's allegations were deemed admitted as to Respondents PIF, PM Solutions, Monroe, and Ingram. The Commissioner set a hearing on Petitioner's request for penalties, costs, and restitution as to Respondents PIF, PM Solutions, Kitchen, Monroe, and Ingram for June 20, 2016, beginning at 1:30 p.m. The Commissioner ordered Respondents PIF, PM Solutions, Monroe, and Ingram to file any responsive affidavits, memoranda, or other filings by June 8, 2016.

26. Respondents PIF, PM Solutions, Monroe, and Ingram did not file any responsive affidavits, memoranda, or other filings.
27. At the hearing on June 20, 2016, the Petitioner, through Assistant Commissioner Mary Hosmer, appeared and presented its case for penalties, costs, and restitution as to Respondents PIF, PM Solutions, Kitchen, Monroe, and Ingram. Respondents PIF, PM Solutions, Kitchen, Monroe, and Ingram did not appear for the hearing, in person or through counsel, and did not request a continuance or otherwise contact the Commissioner regarding the hearing.

II. FINDINGS OF FACT

28. PIF is a Missouri limited liability company that was formed on September 12, 2008, and has an address of 1555 Kisker Road, Saint Peters, Missouri 63304. Kitchen is the registered agent of PIF with an address of 60 Gailwood Drive, Saint Peters, Missouri 63376.
29. PM Solutions is a Missouri limited liability company that was formed on March 2, 2005, and has an address of 5 Novella Drive, Saint Peters, Missouri 63376. Cheryl Gourley is the registered agent of PM Solutions with an address of 60 Gailwood Drive, Suite A, Saint Peters, Missouri 63376.
30. Kitchen was an organizer of PIF and PM Solutions and purports to be the president of PIF. Kitchen has an address of 220 Walden Court, Eureka, Missouri 63025-1130.
31. Hance was an organizer of PIF. Hance has an address of 1968 Graystone Drive, Saint Charles, Missouri 63303. A check of records maintained by the Missouri Department of Insurance, Financial Institutions & Professional Registration (“DIFP”) indicates that Hance holds an active Missouri insurance producer license, DIFP number 0101956.
32. Brian Whitney (“Whitney”) was an organizer of PIF. Whitney has an address of 220 Walden Court, Eureka, Missouri 63025.
33. Monroe purported to be an agent of PIF. Monroe has an address of 16124 West 83rd Terrace, Lenexa, Kansas 66219.
34. Ingram purported to be an agent of PIF. Ingram has an address of 9106 West 78th Street, Overland Park, Kansas 66204-2503.
35. G. Kitchen is Kitchen’s wife and purported to be a representative of PM Solutions. G. Kitchen has an address of 1052 Grand Teton Apt #7, Saint Peters, Missouri 63376.
36. A check of the records maintained by the Commissioner indicates that at all times relevant, there was no record of registration as a broker-dealer agent, investment adviser representative or issuer agent for Kitchen, Hance, Monroe, or Ingram.
37. 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 PIF and/or Kitchen.

38. From February to November 2012, an investigator with the Enforcement Section spoke to, and received e-mails and documentation from Hance, a 58-year-old resident of Wentzville, Missouri regarding PIF. In October 2012, Hance appeared before representatives of the Enforcement Section for an on-the-record examination (“Hance OTR”). A review of this information revealed, among other things, the following:
- a. on or before 2008, Hance and Kitchen agreed to work together to generate leads for Kitchen’s mortgage company and Hance’s insurance agency. To generate these leads, Hance gave Kitchen over \$60,000;
 - b. when Hance and his insurance agency experienced financial difficulties, Kitchen told Hance that Kitchen was a “trader” and that Hance could participate in trading platform programs (“Trading Programs”) through Kitchen;
 - c. Kitchen told Hance, among other things, that:
 - i. Hance could recruit individuals to participate in the Trading Programs and Hance would earn 10% of any funds these individuals invested;
 - ii. Kitchen would pool investor funds to invest in the Trading Programs;
 - iii. Kitchen invested funds “through a trader.” The trader would invest these funds in private placements, security bonds and/or treasury notes; and
 - iv. Kitchen was making in excess of \$160,000 a month through the Trading Programs;
 - d. Hance, Whitney, and Kitchen formed PIF to conduct trading through the Trading Programs;
 - e. Kitchen provided Hance with a Private Placement Programs document (“PPP Document”) that explained the Trading Programs;
 - f. Hance brought four investors to Kitchen and PIF. These four individuals invested in excess of \$90,000 in Trading Programs through Kitchen and PIF;
 - g. Hance received \$20,000 from Kitchen through a PIF account located at Bank of America in St. Peters, Missouri (“PIF Bank Account”). At least some of these funds were paid to Hance for recruiting investors to participate in the Trading Programs through PIF; and
 - h. Hance received in excess of \$40,000 from Kitchen and/or G. Kitchen through a PM Solutions bank account located at National City Bank in St. Charles, Missouri

(“PM Bank Account”). At least some of these funds were paid to Hance for recruiting investors to participate in the Trading Programs through PIF.

39. In September 2012, the Enforcement Section obtained a copy of the PPP Document that Kitchen provided to Hance. The PPP Document stated, among other things, the following:
- a. all of the Trading Programs “are conducted under the specific guidelines set up by the International Chamber of Commerce” (“ICC”);
 - b. through the Trading Programs investors “have the opportunity to earn exceptionally high and safe profit yields”;
 - c. there was no risk of losing investment funds because these funds were blocked and would not be “moved, transferred or withdrawn”;
 - d. the Trading Programs’ directors “put up their own...funds equivalent to the...blocked funds...for trading purposes”;
 - e. the Trading Programs trade negotiable bank instruments that “are debt obligations of *the top one hundred (100) world banks*” (emphasis added);
 - f. the “international trading of these banking instruments is a privileged and highly lucrative profit source for participating banks”;
 - g. these money-making opportunities have been available “for fifty years to qualified European Investors through ICC-affiliated banks”;
 - h. “virtually every contract involving one of these *high-yield bank instruments* contains explicit language forbidding the contracted parties from disclosing any aspect of the transactions for a period of five years” (emphasis added); and
 - i. “your local [bank] branch manager has absolutely no knowledge of [the programs] and may even deny their existence.”

40. The United States Securities and Exchange Commission (“SEC”) and other state and federal agencies have issued numerous investor warnings about high-yield investment schemes. The SEC website as of November 27, 2012 stated, among other things, the following:

These fraudulent schemes involve the purported issuance, trading, or use of so-called ‘prime’ bank, ‘prime’ European bank or ‘prime’ world bank financial instruments, or other ‘high yield investment programs’ (‘HYIP’s). The fraud artists who promote these schemes often use the word ‘prime’ – or a synonymous phrase, such as ‘top fifty world banks’ – to cloak their programs with an air of legitimacy. They seek to mislead investors by suggesting that well regarded and financially sound

institutions participate in these bogus programs. But prime bank and other related schemes have no connection whatsoever to the world's leading financial institutions or to banks with the word 'prime' in their names. The Securities and Exchange Commission and other federal and state agencies are continuing to warn investors about these scams.

41. From July through November 2012, an investigator with the Enforcement Section spoke to, and received e-mails and documentation from Monroe, a 50-year-old Lenexa, Kansas resident. Monroe recruited individuals to invest in the Trading Programs. A review of this information revealed, among other things, the following:
 - a. Monroe worked in the mortgage business with Kitchen;
 - b. Kitchen told Monroe that Kitchen was a "facilitator" for a "private platform trading" investment program;
 - c. Kitchen told Monroe, among other things, that:
 - i. the private platform trading involved giving funds to a trader that would leverage bank notes; and
 - ii. there was little risk because the investment money would be held in a trust account by the trader;
 - d. Monroe referred approximately seven other individuals to Kitchen to invest in the Trading Programs;
 - e. the individuals Monroe referred to Kitchen invested in excess of \$600,000 in the Trading Programs with Kitchen and PIF;
 - f. Monroe received a "finder's fee" of approximately \$60,000 for bringing investors to the Trading Programs through Kitchen and PIF; and
 - g. after Monroe referred others to the Trading Programs, Kitchen sent Monroe a copy of a letter from Bank of America that stated that a PIF account at Bank of America had in excess of \$800,000,000 in the account but that these funds were frozen by the SEC because the trader had invested in illegal bank notes.

42. In November 2012, an investigator with the Enforcement Section spoke to Ingram, a 34-year-old Kansas resident. Ingram stated, among other things, the following:
 - a. Ingram had worked with Monroe;
 - b. Monroe and Kitchen told Ingram about a platform trading program that was short term and would pay investors a return in approximately 30 days;

- c. Kitchen told Ingram that Ingram would receive a “finder’s fee” for referring others to the program;
 - d. Ingram referred five or six individuals to the Trading Programs through Kitchen;
 - e. the investors Ingram referred to the Trading Programs invested in excess of \$100,000 with Kitchen; and
 - f. Ingram received approximately \$4,000¹ from Kitchen for referring investors to the Trading Programs.
43. From July 2012 to November 2012, an investigator with the Enforcement Section spoke to, and received e-mails and documentation from, a 49-year-old Desloge, Missouri resident (“MR1”) who invested with PIF and Kitchen. A review of this information revealed, among other things, the following:
- a. in 2008, MR1 learned about PIF and Kitchen from Hance;
 - b. Hance introduced MR1 to Kitchen. Kitchen told MR1, among other things, that:
 - i. investment funds would be pooled with funds from other investors;
 - ii. the pooled funds would be invested with a trader;
 - iii. there were no risks associated with the investment;
 - iv. invested funds were protected by an insurance policy that Kitchen had obtained; and
 - v. Kitchen and PIF had made several successful investments through the Trading Programs;
 - c. on August 25, 2008, MR1 signed a one-page compensation agreement with Kitchen and PIF;
 - d. this compensation agreement stated, among other things, that:

“This agreement is between [PIF] and [MR1]. This agreement, dated August 25, 2008, does hereby supersede any and all previous agreements whether verbal or in writing. [MR1] does hereby agree to deposit with PIF a minimum sum of \$15,000.00. PIF will accept the funds as an interest in a joint venture and will repay to [MR1] a minimum sum of the initial deposit, up to a total of \$150,000.00. PIF expects to be able to do this

¹ Bank records reflect that Ingram received \$3,000 from Kitchen.

within 30 days after the joint venture begins. PIF retains the right to pay to [MR1] the funds sooner than 30 days.”

- e. on August 26, 2008, MR1 sent \$15,000 via wire transfer to the PM Bank Account for an investment in PIF;
 - f. MR1 had no duties with respect to the joint venture with PIF and Kitchen. MR1 did not speak to anyone on behalf of the joint venture and had no control over the joint venture, the funds acquired by the joint venture, or what products the joint venture would purchase;
 - g. in early 2010, MR1 requested information from Kitchen about MR1’s investment. Kitchen told MR1 that MR1 did not get paid because an investor filed for bankruptcy and, therefore, no one could get paid;
 - h. on or after April 4, 2010, MR1 demanded a refund of MR1’s investment with Kitchen and PIF; and
 - i. MR1 has not received any return on MR1’s investment with Kitchen or PIF, and MR1 has not received a refund of MR1’s investment with Kitchen or PIF.
44. Between July and November 2012, an investigator with the Enforcement Section spoke to, and received e-mails and documentation from, a 33-year-old Mooresville, North Carolina resident (“NC1”) who invested with PIF and Kitchen. A review of this information revealed, among other things, the following:
- a. in October 2008, while residing in the State of California, NC1 learned of the Trading Programs from a co-worker;
 - b. on October 14, 2008, NC1 received a telephone call from Hance and Kitchen. During this call, Kitchen told NC1, among other things, the following:
 - i. investor funds would be placed in government bonds;
 - ii. Kitchen had made this type of investment before and it was “foolproof”; and
 - iii. there were no risks associated with the investment;
 - c. on October 14, 2008, NC1 signed a one-page compensation agreement with Kitchen and PIF;
 - d. this compensation agreement stated, among other things, that the funds were in a joint venture and that PIF would repay NC1 up to \$100,000 in 30 days;
 - e. in October 2008, NC1 sent \$20,000 to Kitchen via wire transfer to the PM Bank Account for an investment in PIF;

- f. NC1 had no duties with respect to the joint venture with PIF and Kitchen. NC1 did not speak to anyone on behalf of the joint venture and had no control over the joint venture, the funds acquired by the joint venture, or what products the joint venture would purchase;
 - g. on February 13, 2009, NC1 received an e-mail from Kitchen providing a “status report.” The e-mail stated, among other things, the following:
 - i. Kitchen was meeting in New York with “the trader” and was “getting the contracts signed”;
 - ii. “[w]e are expecting the payouts to begin in the next couple of weeks”; and
 - iii. “[t]hanks for being patient and I do intend to give you more than we agreed to for your trouble”; and
 - h. as of November 2012, NC1 has not received any return on NC1’s investment with Kitchen or PIF, and NC1 has not received a refund of NC1’s investment with Kitchen or PIF.
45. Between September and November 2012, an investigator with the Enforcement Section spoke to, and received e-mails and documentation from, an 80-year-old Saint Joseph, Missouri resident (“MR2”) who invested with PIF and Kitchen. A review of this information revealed, among other things, the following:
- a. MR2 contacted Ingram regarding raising funds for a business;
 - b. Ingram told MR2 about an investment with Kitchen. Ingram stated, among other things, the following:
 - i. the investment was in foreign money exchange;
 - ii. the minimum investment was \$100,000;
 - iii. MR2’s initial investment amount would never be at risk because it was guaranteed;
 - iv. the parties had made a previous investment and had earned “big bucks”; and
 - v. the investment was “almost too good to be true” and MR2 “had to invest before time ran out”;
 - c. on November 4, 2008, MR2 signed a one-page compensation agreement with Kitchen and PIF;

- d. this compensation agreement stated, among other things, that the funds were in a joint venture and PIF would repay MR2 up to \$6,000,000 in 60 days;
 - e. between October 28, 2008 and October 31, 2008, MR2 sent \$100,000 via three wire transfers to the PM Bank Account for an investment with Kitchen and PIF;
 - f. MR2 had no duties with respect to the joint venture with PIF and Kitchen. MR2 did not speak to anyone on behalf of the joint venture and had no control over the joint venture, the funds acquired by the joint venture, or what products the joint venture would purchase;
 - g. in late 2010 or early 2011, MR2 asked for a refund of MR2's investment with Kitchen and PIF; and
 - h. as of November 2012, MR2 has not received any return on MR2's investment with Kitchen or PIF, and MR2 has not received a refund of MR2's investment with Kitchen or PIF.
46. Between July and November 2012, an investigator with the Enforcement Section spoke to, and received e-mails and documentation from, a 40-year-old Garden City, Utah resident ("UR1") who invested with PIF and Kitchen. A review of this information revealed, among other things, the following:
- a. in the fall of 2008, UR1 learned about an investment with Monroe, Kitchen, and PIF. UR1 talked with Kitchen and Monroe by telephone. During this telephone call, Kitchen and Monroe told UR1, among other things, the following:
 - i. the investment money was to be used in a "multi-level trade platform";
 - ii. there were no risks associated with the investment;
 - iii. investment funds were deposited into a protected bank account; and
 - iv. Kitchen had an insurance policy in case the trade failed;
 - b. in the fall of 2008, Kitchen sent UR1 a letter that purported to be from Wachovia Bank dated October 20, 2008 (the "2008 Wachovia Letter"). The 2008 Wachovia Letter stated that PIF had an account at Wachovia Bank that had in excess of \$10,000,000. The 2008 Wachovia Letter was signed by John Amato as branch manager of the Egg Harbor City, New Jersey, branch of Wachovia bank. Kitchen stated to UR1 that UR1's money would be deposited and would remain in PIF's Wachovia account;
 - c. on November 14, 2008, UR1 signed a one-page compensation agreement with Kitchen and PIF;

- d. this compensation agreement stated, among other things, that the funds were in a joint venture and that PIF would repay UR1 up to \$4,000,000 within 45-60 days;
- e. on November 14, 2008, UR1 invested \$100,000 via wire transfer to the PM Bank Account for an investment in PIF;
- f. UR1 had no duties with respect to the joint venture with PIF and Kitchen. UR1 did not speak to anyone on behalf of the joint venture and had no control over the joint venture, the funds acquired by the joint venture, or what products the joint venture would purchase;
- g. in late 2008 or early 2009, Monroe and Kitchen met with UR1 and another investor in Utah to discuss the investment;
- h. at this meeting, Kitchen offered to refund UR1's initial investment, but Kitchen showed UR1 a bank statement for PIF that indicated UR1's money was still safe;
- i. UR1 believed that this bank statement indicated that UR1's initial investment was not at risk, so UR1 did not request a refund from Kitchen and PIF. UR1 agreed to allow Kitchen to continue trading with UR1's investment funds;
- j. in or after December 2009, UR1 demanded a refund of UR1's investment funds from Kitchen;
- k. Kitchen sent UR1 a copy of a December 28, 2009 letter on Bank of America letterhead² (the "2009 BOA Letter");
- l. the 2009 BOA Letter stated, among other things, that:
 - i. PIF had an account at Bank of America;
 - ii. the PIF account at Bank of America had a balance in excess of \$840,000,000;
 - iii. these funds would be available immediately upon "receiving the release codes from the (SEC) US Government [sic]";
 - iv. Bank of America had a "standing order to return upon funding, the initial sum of \$30,000,000.00 to Michael Kitchen, President of [PIF]"; and
 - v. Bank of America was to disburse the remaining funds to the accounts as provided on "the day of release"; and

² The number for the PIF account and all contact information for Bank of America were redacted from this letter, including the name of the branch manager who purportedly signed the letter on behalf of Bank of America.

- m. as of November 2012, UR1 has not received any return of UR1's investment with Kitchen or PIF, and UR1 has not received a refund of UR1's investment with Kitchen or PIF.
47. From February 2012 to November 2012, an investigator with the Enforcement Section spoke to, and received e-mails and documentation from, a 53-year-old Eureka, Missouri resident ("MR3") who invested with PIF and Kitchen. A review of this information revealed, among other things, the following:
- a. in April 2009, Hance told MR3 about an investment opportunity through PIF and Kitchen;
 - b. Hance introduced MR3 to Kitchen. Kitchen told MR3 that:
 - i. MR3 could participate in an investment opportunity through Kitchen and PIF;
 - ii. Kitchen was a "licensed investor";
 - iii. Kitchen would pool MR3's investment funds with other investors;
 - iv. Kitchen would invest the funds in a trading platform;
 - v. the total amount invested in the trading platform was to be \$150,000;
 - vi. the trading platform invested in security bonds;
 - vii. there were no risks in the investment;
 - viii. the investment was "a sure thing"; and
 - ix. MR3 would receive up to \$400,000 within seven weeks;
 - c. on April 16, 2009, MR3 signed a joint venture agreement with Kitchen who signed as president of PIF;
 - d. the joint venture agreement stated, among other things, that:
 - i. supplied funds would be used "TO PURCHASE AAA RATED BANK ISSUED SECURED NEGOTIABLE INSTRUMENTS TO BE USED AS COLLATERAL FOR THIRD PARTY BANK TO ISUUE [sic] LOAN AGAINST IT AND REPEAT THE PROCESS UNTIL IT REACHES 500 MILLION DOLLARS" (emphasis in original); and
 - ii. MR3 and Kitchen would share any profits;

- e. on April 16, 2009, MR3 invested \$40,000 with Kitchen and PIF via personal check made payable to PIF;
- f. MR3 had no duties with respect to the joint venture with PIF and Kitchen. MR3 did not speak to anyone on behalf of the joint venture and had no control over the joint venture, the funds acquired by the joint venture, or what products the joint venture would purchase;
- g. in early 2010, MR3 contacted Kitchen about the delays in receiving a return on MR3's funds. Kitchen told MR3, among other things, that:
 - i. the original investment "dried up";
 - ii. Kitchen invested MR3's funds with a trader in a large pool of investors overseas; and
 - iii. Kitchen would not provide MR3 the name of the trader Kitchen used;
- h. in January 2010, Kitchen e-mailed MR3 a copy of the 2009 BOA Letter;
- i. on August 24, 2010, Kitchen e-mailed MR3 a copy of a purported joint venture agreement dated October 13, 2008 ("2008 JVA") between Kitchen and a London company that Kitchen indicated was a partner ("London Partner")³ of PIF;
- j. the 2008 JVA stated, among other things, that:
 - i. PIF and the London Partner were entering into a "series of financial transactions of a Private Placement Investment Trade Program in the United States or Europe through a *Prime Top 25 Bank*, Western European Branch" (emphasis added);
 - ii. PIF agreed to "provide cash funds in the amount of Thirty Million United States Dollars (30,000,000.00 USD)...in...the trade account for the purposes of buy/sell [sic] and or HYIP (High Yield Investment Programs)";
 - iii. the London Partner agreed to "provide its expertise and banking relationships to purchase financial instruments suitable for HYIP"; and
 - iv. the parties were to "maintain CONFIDENTIALITY for a period no less than (5) five years" (emphasis in original);
- k. in August 2010, MR3 received an e-mail from Kitchen relating to the Trading Program. In this e-mail Kitchen stated, among other things, the following:

³ All contact information for the London Partner was redacted from the 2008 JVA sent to MR3.

“Your money was in this trade but because of the agreements and the fact that I am not the only party in the litigation, I will not be allowed to give you the requested information. The trade is between me and the trader. You are not a party to the trade. You and I have an agreement (Joint Venture) that would allow you to be a recipient of the proceeds that I would make on the trade...I am sorry that this had not worked out to our benefit yet”; and

1. MR3 has received less than \$2,000 from Kitchen and PIF. MR3 has received no additional funds and has not received a refund of MR3’s investment with Kitchen or PIF.
48. On July 27, 2012, a representative of the Enforcement Section contacted Bank of America regarding the 2009 BOA Letter.
49. On August 16, 2012, Mike Plante, Vice President and Senior Investigator at Bank of America, sent a letter to the Enforcement Section that stated, among other things, that “Bank of America has reviewed the supplied document dated December 28, 2009 pertaining to the account of PIF Financial Services, LLC. Bank of America has determined that the document supplied is fraudulent and was not issued by Bank of America.”
50. On September 13, 2012, a representative of the Enforcement Section contacted Wells Fargo regarding the 2008 Wachovia Letter.
51. On October 12, 2012, Ryan Danner, Vice President at Wells Fargo External Fraud Investigations, sent a letter to the Enforcement Section that stated, among other things, that after a search Wells Fargo was unable to locate any accounts in the name of PIF with Kitchen as a signatory. In addition, Mr. Danner stated that Wells Fargo was unable to locate any employment records for the branch manager listed on the Wachovia Letter. Mr. Danner ended by stating that, “I believe the information on the [the 2008 Wachovia Letter] is false.”
52. From February to October 2012, representatives of the Enforcement Section spoke to, and received information from Kitchen. A review of this information revealed, among other things, the following:
 - a. Kitchen was the owner of PIF;
 - b. other individuals helped organize PIF, but Kitchen was the main representative of PIF;
 - c. PIF was not currently in business;
 - d. Kitchen did not solicit any person to invest in PIF;

- e. Kitchen was the only person who invested through PIF;
 - f. Kitchen received money from other individuals for the purpose of making money;
 - g. these individuals signed joint venture agreements;
 - h. Kitchen pooled the money from other individuals with Kitchen's own money to make an investment that was controlled by a third party;
 - i. Kitchen sent a money order to the third party for the investment;
 - j. Kitchen would not provide the name of the third party to the Enforcement Section;
 - k. the third party invested in, among other things, an oil rig and a gold mine;
 - l. Kitchen had not received any return or refund from the investment with the third party;
 - m. Kitchen would repay the other individuals who put money into PIF when Kitchen had the funds to repay them; and
 - n. Kitchen received approximately \$50,000 from other individuals through PIF.
53. On November 21, 2012, G. Kitchen spoke to representatives of the Enforcement Section and on November 26, 2012, G. Kitchen appeared before representatives of the Enforcement Section for an on-the-record examination ("G. Kitchen OTR"). During these interviews, G. Kitchen stated, among other things, the following:
- a. G. Kitchen and Kitchen are husband and wife and are currently separated;
 - b. G. Kitchen and Kitchen operated mortgage businesses together until 2008, when the last of these mortgage businesses was sold;
 - c. G. Kitchen opened the PM Bank Account in May 2008;
 - d. G. Kitchen had signatory authority over the PM Bank Account;
 - e. Kitchen handled all of the finances for PM Solutions and G. Kitchen wrote checks from the PM Bank Account as directed by Kitchen;
 - f. G. Kitchen did not review the statements from the PM Bank Account;
 - g. Kitchen told G. Kitchen, among other things, that:
 - i. PIF investor funds were wired and/or deposited into the PM Bank Account because the funds could not be "commingled";

- ii. the money from investors in PIF would be pooled and these funds would be invested with “traders”; and
 - iii. “the less you know [about PIF] the better [off] you are”;
 - h. G. Kitchen did not know who these PIF traders were;
 - i. G. Kitchen did not talk to investors about the Trading Programs;
 - j. G. Kitchen did not know the amount of money that was wired and/or deposited into the PM Bank Account from PIF investors;
 - k. G. Kitchen knew that Kitchen was writing checks on the PM Bank Account and signing G. Kitchen’s name to these checks;
 - l. G. Kitchen identified numerous checks that were signed “Garlanda Kitchen” that G. Kitchen had not signed. G. Kitchen identified the handwriting on these checks as Kitchen’s handwriting;
 - m. G. Kitchen and/or Kitchen wrote checks from the PM Bank Account to Hance and Monroe;
 - n. G. Kitchen had never seen the 2008 Wachovia Letter or the 2009 BOA Letter;
 - o. Kitchen directed G. Kitchen to wire the funds from the PM Bank Account to other entities;
 - p. G. Kitchen believed that these entities were to invest funds for PIF;
 - q. at least some of the funds from the PM Bank Account were used to buy cars for Kitchen, G. Kitchen, and Kitchen’s son;
 - r. at least some of the funds from the PM Bank Account were used to pay for rent on the Kitchens’ home located in St. Peters, Missouri; and
 - s. \$20,000 was paid to Kitchen’s sister and brother-in-law who were experiencing financial difficulties.
54. A review of the bank records revealed that investors wired and/or deposited in excess of \$400,000 into the PIF Bank Account. Kitchen used these investor funds, among other things, to:
- a. wire \$120,000 to a title company in California;
 - b. purchase or lease personal vehicles in excess of \$50,000;

- c. obtain cash in excess of \$35,000;
 - d. purchase pet supplies in excess of \$10,000; and
 - e. pay in excess of \$40,000 for entertainment, meals, department stores and other personal expenses of Kitchen, that, upon information and belief, appear to be unrelated to trading in private placements.
55. A review of the bank records revealed that investors in the Trading Programs deposited and/or wired in excess of \$400,000 into the PM Bank Account. Investor funds from the PM Bank Account were used by Kitchen and/or G. Kitchen, among other things, to:
- a. pay \$90,000 to PIF;
 - b. pay in excess of \$65,000 to Monroe;
 - c. pay in excess of \$40,000 to Hance;
 - d. pay rent on the Kitchens' home and businesses in excess of \$25,000;
 - e. pay \$20,000 to Kitchen's sister and brother-in-law;
 - f. pay in excess of \$20,000 for automobiles; and
 - g. pay cash withdrawals and other expenses in excess of \$100,000, that, upon information and belief, appear to be unrelated to trading in private placements. This amount included checks payable to G. Kitchen in excess of \$70,000.
56. The affidavits of the Enforcement Section investigator filed in this matter stated that:
- a. the investigator spoke to at least ten individuals who were offered and sold securities by Kitchen, Hance, and/or other Respondents in this matter;
 - b. in addition to conducting investor interviews, the Enforcement Section received information from investors and reviewed bank records for various Respondents named in the Order;
 - c. Monroe solicited additional individuals who also invested with Kitchen (the "Monroe Investors");
 - d. approximately 17 individuals invested in excess of \$1,000,000 with Respondents with the expectation of profits from the significant efforts of Kitchen and the other Respondents, as set forth in the statements of penalties, costs, and restitution;
 - e. all of the investors were told or received information about the investment from

Kitchen and/or the other Respondents in this matter; and

- f. the information provided about the investment was similar to the information detailed in the Petition and the Order.
57. The statements of penalties, costs, and restitution filed in this matter set forth the following:
- a. the total costs incurred in investigating this matter was \$13,346.75;
 - b. on August 26, 2008, MR1 invested \$15,000 in securities offered or sold by Respondents PIF and Kitchen, and is owed interest in the amount of \$4,800;
 - c. by October 31, 2008, MR2 had invested \$100,000 in securities offered or sold by Respondents PIF, Kitchen, and Ingram, and is owed interest in the amount of \$32,000;
 - d. on April 16, 2009, MR3 invested \$40,000 in securities offered or sold by Respondents PIF and Kitchen, was repaid \$1,000, and is owed interest in the amount of \$9,360;
 - e. on March 17, 2009, a Missouri resident (“MR4”) invested \$100,000 in securities offered or sold by Respondents PIF and Kitchen, was repaid \$20,000, and is owed interest in the amount of \$19,200;
 - f. on November 14, 2008, UR1 invested \$100,000 in securities offered or sold by Respondents PIF, Kitchen, and Monroe, and is owed interest in the amount of \$32,000;
 - g. on November 14, 2008, a Utah resident (“UR2”) invested \$100,000 in securities offered or sold by Respondents PIF, Kitchen, and Monroe, and is owed interest in the amount of \$32,000;
 - h. on October 7, 2008, a Texas resident (“TR1”) invested \$65,000 in securities offered or sold by Respondents PIF and Kitchen, and is owed interest in the amount of \$20,800;
 - i. on November 26, 2008, a Kansas resident (“KR1”) invested \$100,000 in securities offered or sold by Respondents PIF, Kitchen, Monroe, and Ingram, and is owed interest in the amount of \$32,000;
 - j. on September 15, 2008, a resident of Canada (“CANR1”) invested \$19,990 in securities offered or sold by Respondents PIF and Kitchen, and is owed interest in the amount of \$6,396.80;
 - k. on October 23, 2008, NC1 invested \$20,000 in securities offered or sold by Respondents PIF and Kitchen, and is owed interest in the amount of \$6,400; and

- l. the Monroe Investors invested \$385,000 in securities offered or sold by Respondents PIF, Kitchen, and Monroe, and are owed interest in the amount of \$96,200.
58. At the hearing on June 20, 2016, testimony was given in support of the Petitioner's request for penalties, costs, and restitution, including:
- a. that the amounts submitted in the statements of penalties, costs, and restitution were personally reviewed by the Enforcement Section investigator assigned to this matter to ensure their accuracy;
 - b. that in addition to the investors listed in the Order (MR1, MR2, MR3, UR1, and NC1), the Enforcement Section had found additional investors, specifically, MR4, UR2, TR1, KR1, CANR1, and the Monroe Investors, and that:
 - i. these investors understood that they were to make a profit from the money they provided to Kitchen;
 - ii. the profit was to be derived from Kitchen's activities and not from the investors' activities;
 - iii. the investors' funds were to be pooled with the funds of other investors;
 - iv. Kitchen would share in the profit; and
 - v. it was determined that Monroe had wired or wrote checks in excess of \$385,000 from the Monroe Investors to Kitchen; and
 - c. that the restitution amounts calculated in the statements of penalties, costs, and restitution included interest calculated at 8% annually from the date of investment (i.e., the date of the unregistered offer or sale).
59. During the hearing, the Petitioner requested that the restitution amount in the statements of penalties, costs, and restitution be reduced by \$10,000 to offset the restitution that had been paid pursuant to the consent order that was entered into with Hance.

III. CONCLUSIONS OF LAW

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

60. **THE COMMISSIONER CONCLUDES** that Respondents PIF, Kitchen, Monroe, and Ingram violated Section 409.3-301 when they offered and sold securities in or from 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.

61. Respondents PIF, Kitchen, Monroe, and Ingram offered and sold a security as those terms are defined in Sections 409.1-102(26) and (28).
62. An “investment contract” is enumerated in the list of items that are securities in Section 409.1-102(28). The investments Respondents PIF, Kitchen, Monroe, and Ingram offered and sold are investment contracts, in that:
 - a. MR1, MR2, MR3, MR4, UR1, UR2, TR1, KR1, CANR1, NC1, and the Monroe Investors invested funds with PIF and Kitchen;
 - b. investor funds were pooled by PIF and Kitchen;
 - c. Kitchen and PIF were to invest the pooled funds and generate a profit;
 - d. the investors expected a profit from the efforts of PIF and Kitchen and not from the investors’ own efforts;
 - e. the investors’ expected profits were interwoven with and dependent upon the efforts of PIF and Kitchen; and
 - f. the investors had no realistic management authority over the joint venture and no reasonable alternative but to rely on the purported expertise of PIF and Kitchen. The investors did not speak to anyone on behalf of the joint venture, had no control over the joint venture, and did not direct how the joint venture funds would be invested.
63. A check of the records maintained by the Commissioner indicates that 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 PIF, Kitchen, Monroe, and Ingram.
64. MR2 was over the age of 60 years-old and was an elderly person as that term is defined under Section 409.6-604(d)(3)(B) at the time of PIF’s, Kitchen’s, and Ingram’s offer and sale of a security to MR2.
65. The actions of Respondents PIF, Kitchen, Monroe, and Ingram in offering and selling securities that were not registered, exempt or federal covered securities constitute an illegal act, practice, or course of business and thus such actions are subject to the Commissioner’s authority under Section 409.6-604.

Materially Aiding the Offer and Sale of Unregistered Securities

66. **THE COMMISSIONER FURTHER CONCLUDES** that Respondent PM Solutions materially aided PIF’s and Kitchen’s violations of Section 409.3-301 by among other things, the following:

- a. allowing PIF investors to deposit and/or wire funds into the PM Bank Account; and/or
 - b. paying agents of PIF to recruit investors.
67. Respondent PM Solutions violated Section 409.3-301 by materially aiding PIF and Kitchen in their violation of Section 409.3-301.
68. Respondent PM Solutions' actions in materially aiding PIF and Kitchen in offering and selling securities that were not registered, exempt or federal covered securities constitute an illegal act, practice, or course of business and thus such actions are subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Transacting Business as an Unregistered Agent

69. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents Kitchen, Monroe, and Ingram violated Section 409.4-402(a) when they offered and/or sold securities in or from Missouri without being registered or exempt from registration as an agent.
70. A check of the records maintained by the Commissioner indicates that at all times relevant to this matter, Respondents Kitchen, Monroe, and Ingram were not registered as securities agents in the State of Missouri.
71. The actions of Respondents Kitchen, Monroe, and Ingram in transacting business as unregistered agents constitute illegal acts, practices, or courses of business and thus such actions are therefore subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Employing an Unregistered Agent

72. **THE COMMISSIONER FURTHER CONCLUDES** that Respondent PIF violated Section 409.4-402(d) when it employed unregistered agents who transacted business in the State of Missouri.
73. Respondent PIF employed Kitchen, Hance, Monroe, and Ingram who transacted business on behalf of Respondent PIF. These activities constitute transacting business in the State of Missouri.
74. A check of the records maintained by the Commissioner indicates that at all times relevant to this matter, Respondent PIF had no registration or granted exemption for any agents of Respondent PIF to transact business in the State of Missouri.
75. Respondent PIF's conduct of employing unregistered agents who transacted business in Missouri constitutes an illegal act, practice, or course of business and thus such actions are subject to the Commissioner's authority under Section 409.6-604.

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

76. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents PIF and Kitchen violated Section 409.5-501, when, in connection with the offer, sale or purchase of a security Respondents PIF and Kitchen 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. made untrue statements of material fact to MR1, MR2, MR3, NC1, UR1, Hance and/or Monroe that:
 - i. Kitchen was making in excess of \$160,000 a month through the Trading Programs; and/or
 - ii. there were no risks associated with the investment; and/or
 - b. omitted to state to MR1, MR2, MR3, NC1, UR1, Hance and/or Monroe material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, including:
 - i. that Kitchen was not registered to offer and/or sell securities;
 - ii. that the securities were not registered;
 - iii. the reason some investor funds were wired and/or deposited into an account belonging to PM Solutions;
 - iv. the contractual relationship between PM Solutions, PIF, and/or Kitchen;
 - v. the accounting methods PM Solutions, PIF, and Kitchen used to track investor funds;
 - vi. the name and contact information for the trader;
 - vii. the name and contact information for the Trading Programs;
 - viii. the specific products to be purchased through the Trading Programs;
 - ix. the risks associated with any investment through the Trading Programs;
 - x. that investor funds would be used to buy cars;
 - xi. that investor funds would be used to pay rent;

- xii. that investor funds would be used to buy pet supplies; and/or
- xiii. that investor funds would be used for cash withdrawals.

77. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents PIF and Kitchen violated Section 409.5-501, when, in connection with the offer and sale of securities, Respondents PIF and Kitchen engaged in an act, practice, or course of business that would operate as a fraud or deceit upon another person by, among other things, lulling MR1, MR3, NC1, UR1, Hance and/or Monroe in order to obtain additional investment funds, and/or avoid or delay detection by:
- a. claiming that payments from the Trading Programs were delayed because an investor filed for bankruptcy;
 - b. claiming that the Trading Programs were “expecting ... payouts to begin in the next couple of weeks”;
 - c. claiming that the funds received from the Trading Programs would be available when the SEC sent the “release codes” to Bank of America;
 - d. providing investors and/or agents with the 2009 BOA Letter that stated that PIF had in excess of \$800,000,000 in an account at Bank of America;
 - e. providing investors and/or agents with the 2008 Wachovia Letter that stated that PIF had in excess of \$10,000,000 in a Wachovia account; and/or
 - f. providing investors and/or agents with the 2008 JVA that stated that PIF agreed to provide \$30,000,000 to participate in a HYIP and that redacted all contact information for the London Partner.
78. Respondents PIF and Kitchen violated Section 409.5-501 when in connection with the offer and sale of a security, they made untrue statements, omitted to state material facts necessary in order to make statements made, in light of the circumstances under which they were made, not misleading, and by engaging in an act, practice or course of business that would operate as a fraud or deceit upon another person.
79. MR2 was over the age of 60 years-old and was an elderly person as that term is defined under Section 409.6-604(d)(3)(B) at the time of Respondents PIF’s and Kitchen’s actions in making untrue statements and omitting to state material facts necessary in order to make statements made, in light of the circumstances under which they were made, not misleading, and engaging in an act, practice or course of business that would operate as a fraud or deceit.
80. Respondents PIF’s and Kitchen’s actions in making untrue statements, omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading and engaging in acts, practices, or courses of business that would operate as a fraud or deceit, constitute an

illegal act, practice, or course of business and thus such actions are subject to the Commissioner's authority under Section 409.6-604.

Materially Aiding Untrue Statements, and Omissions of Material Fact in Connection with the Offer or Sale of a Security

81. Respondent PM Solutions materially aided PIF's and Kitchen's untrue statements and omissions in violation of Section 409.5-501 by among other things, the following:
 - a. allowing PIF investors to deposit and/or wire funds into the PM Bank Account;
 - b. allowing G. Kitchen and/or Kitchen to write checks from the PM Bank Account to PIF agents Hance and Monroe;
 - c. allowing Kitchen to write checks and sign G. Kitchen's name to checks from the PM Bank Account;
 - d. allowing Kitchen to withdraw cash from the PM Bank Account; and/or
 - e. allowing G. Kitchen and/or Kitchen to write checks from the PM Bank Account made payable to G. Kitchen in excess of \$70,000.
82. Respondent PM Solutions violated Section 409.5-501 by materially aiding PIF and Kitchen in their violation of the Section 409.5-501.
83. Respondent PM Solutions' actions in materially aiding PIF and Kitchen in making untrue statements and omissions constitute an illegal act, practice, or course of business and thus such actions are subject to the Commissioner's authority under Section 409.6-604.
84. This 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).

IV. ORDER

NOW, THEREFORE, it is hereby ordered that Respondents PIF, PM Solutions, Kitchen, Monroe, and Ingram, 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 are 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;
- C. Section 409.4-402(d) by employing an unregistered agent; and

- D. 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.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents PIF, Kitchen, Monroe, and Ingram each shall pay a \$10,000 civil penalty for multiple violations of Section 409.3-301. This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondent PM Solutions shall pay a \$10,000 civil penalty for multiple violations of materially aiding PIF's and Kitchen's violations of Section 409.3-301. This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d)(3)(B), Respondents PIF, Kitchen, and Ingram each shall pay an additional civil penalty in the amount of \$5,000 for violations of Section 409.3-301 committed against MR2 who was over 60 years-old and was an elderly person. This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents Kitchen, Monroe, and Ingram each shall pay a \$10,000 civil penalty for multiple violations of Section 409.4-402(a). This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondent PIF shall pay a \$10,000 civil penalty for multiple violations of Section 409.4-402(d). This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This

amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER REQUESTED that, pursuant to Section 409.6-604(d), Respondents PIF and Kitchen each shall pay a \$10,000 civil penalty for multiple violations of Section 409.5-501. This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER REQUESTED that, pursuant to Section 409.6-604(d)(3)(B), Respondents PIF and Kitchen each shall pay an additional civil penalty in the amount of \$5,000 for violations of Section 409.5-501 committed against MR2 who was over 60 years-old and was an elderly person. This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER REQUESTED that, pursuant to Section 409.6-604(d), Respondent PM Solutions shall pay a \$10,000 civil penalty for multiple violations of materially aiding PIF's and Kitchen's violations of Section 409.5-501. This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents PIF, PM Solutions, and Kitchen shall, jointly and severally, pay restitution in the amount of \$1,305,146.80. This amount shall be made payable to the Missouri Secretary of State's Investor Restitution Fund, and the Commissioner will take reasonable and necessary actions to distribute such funds to those investors listed on Exhibit 1. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, Jefferson City, Missouri 65101, within 30 days from the date of this Final Order.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondent Monroe shall, jointly and severally, pay restitution to UR1 in the amount of \$130,435.03, UR2 in the amount of \$130,435.03, KR1 in the amount of 130,435.03, and the Monroe Investors in the amount of \$481,200. These amounts shall be made payable to the Missouri Secretary of State's Investor Restitution Fund, and the Commissioner will take reasonable and necessary actions to distribute such funds to UR1, UR2, KR1, and the Monroe Investors. These amounts shall be sent to the Missouri Securities Division at 600 West Main Street, Jefferson City, Missouri 65101, within 30 days from the date of this Final Order.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondent Ingram shall, jointly and severally, pay restitution to MR2 in the amount of \$130,435.03 and KR1 in the amount of 130,435.03. These amounts shall be made payable to the Missouri Secretary of State's Investor Restitution Fund, and the Commissioner will take reasonable and necessary actions to distribute such funds to MR2 and KR1. These amounts shall be sent to the Missouri Securities Division at 600 West Main Street, Jefferson City, Missouri 65101, within 30 days from the date of this Final Order.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(e), Respondents PIF, PM Solutions, Kitchen, Ingram and Monroe shall, jointly and severally, pay \$13,346.75 in actual costs for investigation into, and the proceedings associated with, this matter. This amount shall be made payable to the Investor Education and Protection Fund. This amount shall be sent to the Securities Division, at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102, within 30 days of the date of this Final Order.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,
MISSOURI THIS NINETEENTH DAY OF JULY, 2016.

JASON KANDER
SECRETARY OF STATE



ANDREW M. HARTNETT
COMMISSIONER OF SECURITIES



CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of July, 2016, a copy of the foregoing Final Order to Cease and Desist as to PIF Financial Services, LLC; Premier Mortgage Solutions, LLC; Michael Kitchen; Dion Monroe; and Shannon R. Ingram and Order Awarding Restitution, Civil Penalties, and Costs in the above styled case was **mailed by Certified U.S. mail to:**

PIF Financial Services, LLC
60 Gailwood Drive
Saint Peters, Missouri 63376

PIF Financial Services, LLC
Registered Agent: Michael Kitchen
220 Walden Court
Eureka, Missouri 63025-1130

Premier Mortgage Solutions, LLC
60 Gailwood Drive Suite A
Saint Peters, Missouri 63376

Premier Mortgage Solutions, LLC
Registered Agent: Cheryl Gourley
200 Startcrest Drive
Clearwater, Florida 33765

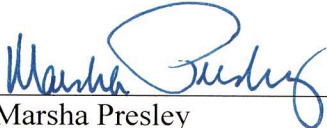
Michael Kitchen
220 Walden Court
Eureka, Missouri 63025-1130

Shannon R. Ingram
9106 West 78th Street
Overland Park, Kansas 66204-2503

Dion Monroe
16124 West 83rd Terrace
Lenexa, Kansas 66219

And by hand-delivery to:

Mary Hosmer
Assistant Commissioner
600 West Main St.
Jefferson City, Missouri 65101



Marsha Presley
Securities Office Manager