

**STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU**

In the Matter of CHRISTEL DREW,

Complaint No. 333003

and

In the Matter of BERNARD DREW,

Complaint Nos. 333002 and 333004

Respondents.

_____ /

Issued and entered
this 27th day of December, 2018

**CONSENT ORDER RESOLVING
NOTICE AND ORDERS TO CEASE AND DESIST**

A. Relevant information and statutory provisions, under the Michigan Uniform Securities Act (2002) ("the Act"), 2008 PA 551, MCL 451.2101 *et seq.*:

1. On August 14, 2017, the State of Michigan, Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau (the "Bureau") and the Director of the Bureau who serves as the Administrator of the Act (the "Administrator") issued two Notices and Orders to Cease and Desist ("C&D Orders") to Christel Drew and Bernard Drew (collectively, "The Drows").
2. The Drows are not – and never have been – registered under the Act.
3. The Drows were represented by attorney Steven Fishman and had the advice of legal counsel throughout the process of resolving the C&D Orders in Michigan.
4. The Drows neither admit nor deny any of the allegations in the C&D Orders in connection with this matter and agree to entry of this Consent Order only for the purpose of resolving the C&D Orders.

B. AGREEMENT PROVISIONS

The Drows and the Administrator (collectively, "the Parties") agree that the C&D Orders will be resolved with the following conditions:

1. The Drews agree that they will not conduct any business in Michigan regulated under the Act, nor act as principals or consultants in any entity so engaged in that business.
2. The Drews agree to waive any assertion or claim under MCL 451.2412(9)'s one-year time limit on the Administrator's action after knowledge of material facts that it bars the Administrator from using the facts set out in the C&D Orders if and when considering future applications for registration by The Drews.
3. The Administrator agrees to reduce the total fines in the C&D Orders, and The Drews agree to pay a Five Thousand Dollar (\$5,000.00) fine to the Bureau within 120 days after the mailing date of this Consent Order. The fine must be paid by check or money order payable to the "State of Michigan," contain The Drews' identifying information (name and complaint Nos. 333002, 333003, and 333004), and be mailed to:

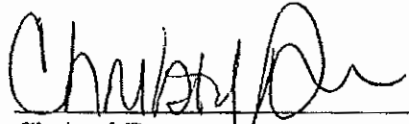
Corporations, Securities & Commercial Licensing Bureau
Final Order Monitoring – Securities & Audit Division
P.O. Box 30018
Lansing, MI 48909
4. If any portion of the fine is overdue for at least six months, the Administrator may refer it to the Michigan Department of Treasury for collection action against The Drews. In addition, the Administrator reserves the right to pursue any other action or proceeding permitted by law to enforce payment of the fine.
5. The Parties acknowledge and agree that the Administrator retains the right to pursue any action or proceeding permitted by law to enforce compliance with the provisions of this Consent Order, and that failure to comply with this Consent Order may result in the reinstatement of the C&D Orders, pending any other action the Administrator chooses to take as a result of The Drews' failure to comply.
6. The Drews understand and intend that by signing this Consent Order, they are waiving the right, pursuant to the Act, the rules promulgated under that Act and the Uniform Securities Act (Predecessor Act), 1964 PA 265, MCL 451.501 *et seq.*, and the Administrative Procedures Act, 1969 PA 306, MCL 24.201 *et seq.*, to prior notice and a hearing before an administrative law judge, at which the Bureau would be required to defend any disciplinary action taken under Section 604 (6) of the Act, MCL 451.2604, by presentation of evidence and legal authority and at which the Drews would be entitled to appear with or without an attorney to cross-examine all witnesses presented

by the Bureau and to present such testimony or other evidence or legal authority deemed appropriate.

Through their signatures, the Parties agree to the above terms and conditions.

Dated: 12/13/18

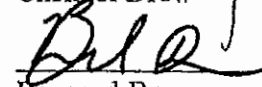
Signed:



Christel Drew

Dated: 12/13/2018

Signed:



Bernard Drew

Acknowledged by:

Dated: _____

Signed:

Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial
Licensing Bureau

by the Bureau and to present such testimony or other evidence or legal authority deemed appropriate.

Through their signatures, the Parties agree to the above terms and conditions.

Dated: _____ Signed: _____
Christel Drew

Dated: _____ Signed: _____
Bernard Drew

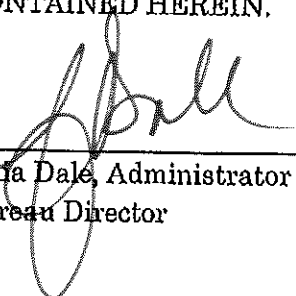
Acknowledged by:

Dated: 12-20-18 Signed: Timothy L. Teague
Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial
Licensing Bureau

C. ORDER

The Administrator NOW, THEREFORE, ORDERS:

THE TERMS AND CONDITIONS IN THIS CONSENT ORDER ARE BINDING AND EFFECTIVE, IN ACCORD WITH THE FULLY EXECUTED STIPULATION CONTAINED HEREIN.



Julia Dale, Administrator and Corporations, Securities & Commercial Licensing
Bureau Director

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the Matter of:

Complaint Nos. 333002 & 333004

BERNARD DREW
Unregistered

Respondent.

Issued and entered
This 14th day of August, 2017

NOTICE AND ORDER TO CEASE AND DESIST

Julia Dale, the Director of the Corporations, Securities & Commercial Licensing Bureau (the “Administrator”), pursuant to her statutory authority and responsibility to administer and enforce the Michigan Uniform Securities Act (2002), 2008 PA 551, as amended, MCL 451.2101 *et seq.* (“Securities Act”), hereby orders Bernard Drew (“Respondent”) to cease and desist from offering and selling unregistered securities, contrary to section 301 of the Securities Act, MCL 451.2301, and to cease and desist from materially aiding in violations of section 301 of the Securities Act, MCL 451.2301, by Treasure Enterprise, LLC. Respondent is also notified of the opportunity to request a hearing in this matter.

I. BACKGROUND

A. The Respondent

1. Bernard Drew is an individual who resides in the State of Michigan. He is not registered in any capacity, nor has he ever been registered in any capacity pursuant to the Securities Act in Michigan.
2. Respondent was employed by Treasure Enterprise, LLC, a Michigan limited liability company that offered and sold securities across the United States. In or around August of 2016, the Bureau issued a Notice and Order to Cease and Desist against Treasure Enterprise, LLC (Exhibit 1 – Treasure C&D) and promoters of its securities, Larry Holley (Exhibit 2 – Holley C&D) and Patricia Gray (Exhibits 3 and 4 – Gray C&Ds). In or around March of 2017,

the United States Securities and Exchange Commission announced civil fraud charges and obtained an emergency asset freeze against Treasure, Larry Holley, and other related persons. (Exhibit 5 – SEC Press Release).

B. Findings of Fact

1. The Bureau conducted an investigation of Respondent’s Activities.
2. The Bureau’s investigation developed evidence that Respondent offered and sold a Treasure Enterprise, LLC security to a Michigan resident, LS. In or around November of 2014, Treasure Enterprise, LLC sold a one-year promissory note security to LS for \$100,000, promising a 10% rate of return in that year (Exhibit 6 – Note). In or around December of 2015, LS went to Treasure Enterprise, LLC’s offices to collect his principal and interest. Respondent Bernard Drew convinced LS to “reinvest” his \$110,000 with Treasure Enterprise, LLC for a 12% annual return. LS agreed. Treasure Enterprise, LLC never issued LS a new promissory note, and has failed to repay the note or the subsequent “reinvestment” as promised.
3. Respondent, in conjunction with Christel Drew (aka Crystal Drew; Exhibit 7 – Christel Drew C&D), collected personal information from an investor, ES, and obtained approximately \$300,000 in personal loans in ES’s name. Respondent and Christel Drew then instructed ES to immediately wire the proceeds of the personal loans to Treasure Enterprise, LLC in exchange for a security identified as a “Personal Funding Agreement” (Exhibit 8 – Personal Funding Agreement)¹, which was not registered or exempt from registration. Respondent and Christel Drew materially aided Treasure Enterprise, LLC in the offer and sale of the Personal Funding Agreement to ES by applying for and obtaining loans on her behalf, and providing instructions to ES to wire the loan proceeds from ES’s personal bank account to Treasure Enterprise, LLC.
4. The promissory note and reinvestment sales to LS and the Personal Funding Agreement sale to ES occurred during the same or similar time period, and were a part of the same scheme of sales identified in the Bureau’s previous Orders to Cease and Desist which are attached as Exhibits 1, 2, 3, and 4, and are related to the allegations made by the SEC as summarized in Exhibit 5.

II. RELEVANT STATUTORY PROVISIONS

1. Section 301 of the Securities Act, MCL 451.2301, states:

¹ The terms of the Personal Funding Agreement have not been fulfilled by Treasure Enterprise, LLC, causing substantial financial harm to ES.

A person shall not offer or sell a security in this state unless 1 or more of the following are met:

- (a) The security is a federal covered security.
- (b) The security, transaction, or offer is exempted from registration under section 201 to 203.
- (c) The security is registered under this act.

2. Section 604(1) of the Securities Act, MCL 451.2604(1), states in part:

If the administrator determines that a person has engaged, is engaging, or is about to engage in an act, practice, or course of business constituting a violation of this act or a rule adopted or order issued under this act, *or that a person has materially aided, is materially aiding, or is about to materially aid an act, practice, or course of business constituting a violation of this act, or a rule adopted or order issued under this act*, the administrator may do 1 or more of the following:

- (a) Issue an order directing the person to cease and desist from engaging in the act, practice, or course of business or to take other action necessary or appropriate to comply with this act... *(Emphasis added)*.

III. CONCLUSIONS OF LAW

1. Respondent Bernard Drew offered and sold a Treasure Enterprise, LLC security to investor LS; the security was not registered, or exempt from registration, contrary to section 301 of the Securities Act, MCL 451.2301.
2. There was a substantial causal connection between Respondent Bernard Drew's conduct of applying for loans for ES and directing ES to send the loan proceeds to Treasure Enterprise, LLC and the wrongdoing by Treasure Enterprise, LLC in offering and selling an unregistered, non-exempt security to ES in violation of section 301 of the Securities Act, MCL 451.2301. As a result, Respondent Bernard Drew materially aided in Treasure Enterprise, LLC's violation of section 301 of the Securities Act, MCL 451.2301.

IV. ORDER

IT IS THEREFORE ORDERED, pursuant to section 604 of the Securities Act, MCL 451.2604, that:

- A. Respondent shall immediately CEASE AND DESIST from offering and selling unregistered securities and from materially aiding an issuer in offering and selling

unregistered, non-exempt securities, contrary to section 301 of the Securities Act, MCL 451.2301.

- B. Pursuant to section 604(2) of the Securities Act, this Notice and Order to Cease and Desist is IMMEDIATELY EFFECTIVE.
- C. In her Final Order, the Administrator, under section 604(4) of the Securities Act, MCL 451.2604(4), intends to impose a civil fine of \$20,000.00 against Respondent.
- D. Pursuant to section 508 of the Securities Act, MCL 451.2508, a person that willfully violates the Securities Act, or an order issued under the Securities Act, is guilty of a felony punishable by imprisonment for not more than 10 years or a fine of not more than \$500,000.00 for each violation, or both. An individual convicted of violating a rule or order under this act may be fined, but shall not be imprisoned, if the individual did not have knowledge of the rule or order.

V. NOTICE OF OPPORTUNITY FOR HEARING

Section 604 of the Securities Act, MCL 451.2604, provides that Respondent has 30 days beginning with the first day after the date of service of this Notice and Order to Cease and Desist to submit a written request to the Administrator asking that this matter be scheduled for a hearing. If the Administrator receives a written request in a timely manner, the Administrator shall schedule a hearing within 15 days after receipt of the request. The written request for a hearing must be addressed to:

Corporations, Securities & Commercial Licensing Bureau
Regulatory Compliance Division
P.O. Box 30018
Lansing, MI 48909

VI. ORDER FINAL ABSENT HEARING REQUEST

- A. Under section 604 of the Securities Act, MCL 451.2604, the Respondent's failure to submit a written request for a hearing to the Administrator within 30 days after the service date of this **NOTICE AND ORDER TO CEASE AND DESIST** shall result in this order becoming a **FINAL ORDER** by operation of law. The **FINAL ORDER** includes the imposition of the fines cited described in section IV.C., and the fine amounts set forth below will become due and payable to the Administrator within sixty (60) days after the date this order becomes final:

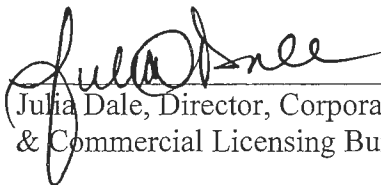
\$20,000.00 – Bernard Drew, under section 604 of the Securities Act, MCL 451.2604.

- B. CIVIL FINE payments should be payable to the STATE OF MICHIGAN and contain identifying information (e.g., names and complaint numbers) and mailed to the following address:

Corporations, Securities & Commercial Licensing Bureau
Final Order Monitoring
P.O. Box 30018
Lansing, MI 48909

- C. Failure to comply with the terms of this Order within the time frames specified may result in additional administrative penalties, including the summary suspension or continued suspension of all registrations held by Respondent under the Securities Act, the denial of any registration renewal, and/or the denial of any future applications for registration, until full compliance is made. Respondent may voluntarily surrender or withdraw a registration under the Securities Act; however, the surrender or withdrawal will not negate the summary suspension or continued suspension of the relevant registrations or any additional administrative proceedings if a violation of this Order or the Securities Act occurred.
- D. Failure to pay the civil fines within six (6) months after this Order becomes final may result in the referral of the civil fines to the Michigan Department of Treasury for collection action against Respondents.

CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU



Julia Dale, Director, Corporations, Securities
& Commercial Licensing Bureau

8/14/17
Date