

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:)
RONALD SCOTT)
MAIL-SHOPS)
RESPONDENTS)

**ADMINISTRATIVE ORDER
NO. CD-2020-0021**

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, has determined as follows:

RESPONDENTS

1. RONALD SCOTT (“SCOTT”) purports to be an investment consultant operating an electronic mail address of sales@mail-shops.com. SCOTT may be contacted through the domain registrar at the following address, 1209 Orange St., Wilmington, DE 19801, USA.
2. MAIL-SHOPS is a registered electronic mail domain. MAIL-SHOPS may be contacted through the domain registrar at the following address, 1209 Orange St., Wilmington, DE 19801, USA.

STATEMENT OF FACTS

3. On or about December 1, 2020, SCOTT, who identified himself as a “business start-up and investment consultant” solicited numerous Alabama residents to participate in various investment “opportunities;” including real estate, oil and gas, bio-energy, automobile, aviation, and manufacturing, via the electronic mail address of sales@mail-shops.com. RESPONDENTS stated that the Alabama residents should “get in touch...ASAP, for further proceedings and funding.”

4. The electronic mail domain RESPONDENTS used to solicit investments is “mail-shops.com.” The top-level domain RESPONDENTS used to solicit investments is “.com.”

5. The originating IP address of RESPONDENT’S electronic mail message to at least one resident of Alabama is located in Shanghai, China.

6. RESPONDENTS solicited investments and identifying information through the representation that RESPONDENTS had access to private investors looking to generate a good return on their private investment portfolios at a company using the domain “mail-shops.com.”

7. A review of the registration files of the Commission revealed no registration for RESPONDENTS in any capacity as of December 2, 2020. As of this date, the domain “mail-shops.com” is not an operating website.

8. A review of the Alabama Secretary of State’s online database revealed no record for a domestic or foreign business registered in Alabama for RESPONDENTS.

CONCLUSIONS OF LAW

9. Pursuant to Section 8-6-2(18), Code of Alabama 1975, the definition of an “investment adviser” includes providing investment advisory services to others, including the advisability of investing. MAIL-SHOPS purported to provide investment advisory services to others in violation of the Act.

10. Pursuant to Section 8-6-2(19), Code of Alabama 1975, the definition of an “investment adviser representative” includes any person associated with an investment adviser who solicits for the sale of, or sells, investment advisory services. MAIL-SHOPS employed SCOTT to solicit the sale of investment advisory services in violation of the Act.

11. Pursuant to Section 8-6-3(b), Code of Alabama 1975, it is unlawful for any person to transact business in this State as an investment adviser unless such person is registered under the Act. Additionally, it is unlawful to employ any person as an investment adviser representative

unless that person is registered. MAIL-SHOPS employed SCOTT, an unregistered investment adviser, to solicit on behalf of MAIL-SHOPS in violation of the Act. SCOTT acted as an agent of MAIL-SHOPS while not registered as such with the Commission in violation of the Act.

12. Pursuant to Section 8-6-17(c), Code of Alabama 1975, it is unlawful for any person, in connection with the solicitation of investment advice, to make any untrue statement of material fact, or omit to state a material fact in connection with the offer or sale of investment advisory services. RESPONDENTS attempted to obfuscate their true location while soliciting investment advisory clients in violation of the Act.

13. Pursuant to Section 13A-8-114(a), Code of Alabama 1975, a person commits the crime of phishing if the person uses an electronic mail message to induce another person to provide “identifying information” which includes a name and/or any other information that can be used to access a person’s identification through unauthorized or illegitimate means. RESPONDENTS solicited residents of Alabama to provide identifying information under false pretenses in violation of the Alabama Criminal Code.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the RESPONDENTS to make a timely request for a hearing, or default of the RESPONDENTS, it is the intention of the Commission to impose sanctions upon the RESPONDENTS. Such sanctions may include, *inter alia*, an administrative assessment imposed on the RESPONDENTS, an additional administrative assessment for investigative cost arising from the investigation of the violation(s) described herein against the RESPONDENTS, and a permanent order to bar the RESPONDENTS from participation in any securities related industry in the state of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that the **RESPONDENTS** immediately **CEASE AND DESIST** from further violations of the Act.

Entered at Montgomery, Alabama, this 16th day of December 2020.

ALABAMA SECURITIES COMMISSION
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BY:

Joseph Borg
Director

