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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

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BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND  
SECURITIES, BUREAU OF SECURITIES  
COMPLIANCE AND EXAMINATIONS

DOCKET NO. 200017 (SEC-CAO)

v.

MAC BUSINESS SERVICES, LTD  
BTB INVESTMENTS, LLC  
ARTHUR S. MCHENRY III

**CONSENT AGREEMENT AND ORDER**

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities (“Department”), Bureau of Securities Compliance and Examinations (“Bureau”), has conducted an investigation of the securities activities of MAC Business Services, Ltd. (“MAC”), BTB Investments, LLC, (“BTB”) and Arthur S. McHenry III (“McHenry”), Based on the results of its investigation, the Bureau has concluded that MAC, BTB and McHenry operated in violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101, et. seq. (“1972 Act”). MAC, BTB and McHenry, in lieu of litigation, and without admitting or denying the allegations contained herein, and intending to be legally bound, hereby agree to the entry of this Consent Agreement and Order (“CAO”).

**BACKGROUND**

1. The Department is the Commonwealth of Pennsylvania’s administrative agency authorized and empowered to administer and enforce the 1972 Act.

2. The Bureau is primarily responsible for administering and enforcing the 1972 Act for the Department.

3. MAC, was, at all times material herein, a Pennsylvania limited liability company with a principal place of business at 127 W Chester Pike, Ridley Park, Pennsylvania 19078.

4. BTB was, at all times material herein, a Pennsylvania limited liability company with a principal of business at 127 W Chester Pike, Ridley Park, Pennsylvania 19078.

5. McHenry was, at all times material herein, an individual with an address at 127 W Chester Pike, Ridley Park, Pennsylvania 19078. McHenry was, at all times material herein, the owner and sole member of MAC and a principal and originating officer of BTB.

#### **FACTUAL ALLEGATIONS**

6. From on or about July 2016 through December 2017, MAC, BTB and McHenry offered and sold an “Agreement to Lend Money and Share Revenue-Profits and Losses” (“MAC Agreements”) to at least two (2) Pennsylvania residents.

7. The MAC Agreements are “securities” within the meaning of Section 102(t) of the 1972 Act, 70 P.S. § 1-102(t).

8. MAC is the “issuer” of the MAC Agreements described above within the meaning of Section 102(l) of the 1972 Act, 70 P.S. § 1-102(l).

9. MAC acted as an “affiliate” of BTB within the meaning of Section 102(b) of the 1972 Act, 70 P.S. § 1-102(b), and, as such, caused BTB to commit the herein stated acts which violated the 1972 Act.

10. McHenry acted as an “affiliate” of MAC within the meaning of Section 102(b) of the 1972 Act, 70 P.S. § 1-102(b), and, as such, caused MAC to commit the herein stated acts which violated the 1972 Act.

11. McHenry acted as an “affiliate” of BTB within the meaning of Section 102(b) of the 1972 Act, 70 P.S. § 1-102(b), and, as such, caused BTB to commit the herein stated acts which violated the 1972 Act.

12. The MAC Agreements were (a) not registered under Section 201 of the 1972 Act, 70 P.S. § 1-201; (b) not exempt from registration under Section 202 of the 1972 Act, 70 P.S. § 1-202; and (c) not federally covered securities; and, further, the securities transactions relating to the MAC Agreements were not exempt under Section 203 of the 1972 Act, 70 P.S. § 1-203.

13. From in or about July 2016 through December 2017, at least one individual representing BTB effected and attempted to effect the purchase and sale of the MAC Agreements in Pennsylvania for compensation who was neither registered pursuant to Section 301 of the 1972 Act, 70 P.S. §1-301, nor exempt from registration as an agent for BTB.

#### **VIOLATION**

14. By engaging in the acts and conduct set forth in paragraphs 6 through 12 of the Factual Allegations, MAC, BTB and McHenry offered and sold the MAC Agreements in wilful violation of Section 201 of the 1972 Act, 70 P.S. §1-201.

15. By engaging in the acts and conduct set forth in paragraph 6 through 13 above, BTB employed at least one unregistered agent in wilful violation of Section 301(b) of the 1972 Act, 70 P.S. § 1-301(b).

#### **RELIEF**

16. MAC, BTB and McHenry shall pay the Department an administrative assessment in the amount of \$150,000. Payment shall be made by certified check or money order that is made payable to the Department of Banking and Securities and shall be mailed or delivered, in person, to the Bureau of Securities Compliance and Examinations located at 17 N Second Street, Suite 1300, Harrisburg, PA 17101

The assessment shall be paid in consecutive monthly payments of \$6,250.00 due on or before the 1st day of each month, beginning on September 1, 2020, and ending on August 1, 2022.

17. MAC, BTB and McHenry shall comply with the 1972 Act and Regulations adopted by the Department, and in particular Section 201 of the 1972 Act, 70 P.S. §1-201 and Section 301(b) of the 1972 Act, 70 P.S. § 1-301(b).

18. Should MAC, BTB and McHenry fail to pay the assessment as set forth in paragraph 16 above, the sanctions set forth elsewhere in the Order shall continue in full force and effect until payment is made. However, this provision shall not be construed as affording MAC, BTB and McHenry the option of either paying the assessment or being indefinitely subject to the sanctions.

19. Should MAC, BTB and McHenry fail to comply with any or all provisions of this Order, the Department may impose additional sanctions and costs and seek other appropriate relief subject to the right to a hearing pursuant to the 1972 Act.

#### **FURTHER PROVISIONS**

20. Consent. MAC, BTB and McHenry hereby knowingly, willingly, voluntarily and irrevocably consent to the entry of this Order pursuant to the Bureau's authority under the 1972 Act and agree they understand all of the terms and conditions contained herein. MAC, BTB and McHenry, by voluntarily entering into this Order, have elected not to litigate or contest the allegations asserted by the Bureau and waive any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

21. Entire Agreement. This Order contains the entire agreement between the Department, MAC, BTB and McHenry. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this

Order. This Order may be amended in writing by mutual agreement between the Department, MAC, BTB and McHenry.

22. Binding Nature. The Department, MAC, BTB and McHenry and all officers, owners, directors, employees, heirs and assigns of MAC, BTB and McHenry intend to be and are legally bound by the terms of this Order.

23. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

24. Effectiveness. MAC, BTB and McHenry hereby stipulate and agree that the Order shall become effective on the date that the Bureau executes the Order (“Effective Date”).

25. Other Enforcement Action.

- a. The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against MAC, BTB and McHenry in the future regarding all matters not resolved by this Order.
- b. MAC, BTB and McHenry acknowledge and agree that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.
- c. MAC, BTB and McHenry acknowledge and agree that this Order does not preclude any other agency from instituting administrative, civil or criminal proceedings that may be related to matters addressed by this Order.

26. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

27. Counterparts. This Order may be executed in separate counterparts, by facsimile and by PDF.

28. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

29. Finding. The Department finds that it is necessary and appropriate in the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue this Order.

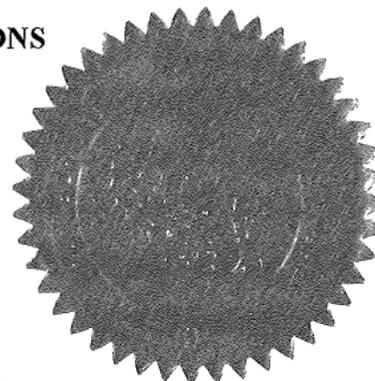
**WHEREFORE**, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities Compliance and Examinations and MAC Business Services, Ltd., BTB Investments, LLC, and Arthur S. McHenry III, intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES,  
BUREAU OF SECURITIES COMPLIANCE AND EXAMINATIONS**

Redacted

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Joseph J. Minisi, Deputy Secretary of Securities

Date: 7/1/20



MAC Business Services, LTD

Redacted

\_\_\_\_\_  
(Signature)

Art McHenry

\_\_\_\_\_  
(Print Name)

Owner

\_\_\_\_\_  
(Title)

Date: 5/15/2020

Arthur S. McHenry III

Redacted

\_\_\_\_\_  
(Signature)

Art McHenry

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Title)

Date: 5/15/2020

BTB Investments, LLC

Redacted  
\_\_\_\_\_  
(Signature)

Art McHenry  
\_\_\_\_\_  
(Print Name)

Owner  
\_\_\_\_\_  
(Title)

Date: 5/15/2020

