

**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING) Order No.: S-19-2670-19-FO01
Whether there has been a violation of the)
Securities Act of Washington by:) ENTRY OF FINDINGS OF FACT AND
Jahshan Gilgeours,) CONCLUSIONS OF LAW AND
Respondent) FINAL ORDER TO CEASE AND DESIST,
) TO IMPOSE A FINE, AND
) TO CHARGE COSTS
)

THE STATE OF WASHINGTON TO: Jahshan M. Gilgeours

On June 5, 2019, the Securities Administrator of the state of Washington issued Statement of Charges and Notice of Intent to Enter Order to Cease and Desist, To Impose a Fine, and to Charge Costs, Order No. S-19-2670-19-SC01 (hereinafter referred to as “Statement of Charges”). The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred to as “Notice of Opportunity for Hearing” and an Application for Adjudicative Hearing, hereinafter referred to as “Application for Hearing,” was served on Respondent Jahshan Gilgeours, on June 19, 2019. The Notice of Opportunity for Hearing advised Respondent Jahshan Gilgeours, that a written application for an administrative hearing on the Statement of Charges must be received within twenty days from the date of receipt of the notice. Respondent Jahshan Gilgeours failed to request an administrative hearing within twenty days of receipt of the Statement of Charges and Notice of Opportunity for Hearing, either on the Application for Hearing provided, or otherwise.

The Securities Administrator therefore will adopt as final the following Findings of Fact and Conclusions of Law as set forth in the Statement of Charges and enter a final order against the Respondent to cease and desist from violations of the Securities Act, and to impose the fine and costs sought in the Statement of Charges.

FINAL ORDER

1 The Securities Administrator makes the following Findings of Fact and Conclusions of Law:

2 **FINDINGS OF FACT**

3 **Respondent**

4 1. Jahshan Gilgeours (“Gilgeours”) resides in Brooklyn, New York. During 2019, Gilgeours
5 offered and sold an investment to at least one Washington investor. Gilgeours met the investor through online
6 gaming.

7 **Nature of the Offering**

8 2. In January 2019, Gilgeours offered and sold a \$3,500 investment to a Washington investor.
9 Gilgeours represented that the investor was purchasing stock in a New York company named DDCTE
10 Holdings, Inc. (“DDCTE”). Gilgeours represented that he was the managing shareholder, the Chief Executive
11 Officer, and the Chairman of the Board of DDCTE.

12 3. When offering the investment, Gilgeours gave the investor an “Investors Agreement.” The
13 Investors Agreement stated that Gilgeours would have 20,000 shares of stock and the investor would have
14 5,000 shares of stock, which was all of the outstanding stock of DDCTE. The Investors Agreement stated
15 that Gilgeours would “manage, control, and operate” the business of DDCTE. Gilgeours also gave the
16 investor a “Non-Disclosure Agreement,” which stated that the investor would protect any confidential
17 information of DDCTE
18 information of DDCTE

19 4. Originally, the investor had planned to invest \$5,000 with Gilgeours, but ultimately the
20 investor transferred a total of \$3,500 to Gilgeours in three separate transactions. Gilgeours told the investor
21 that Gilgeours would make up the difference (\$1,500) in the investment. Gilgeours represented that a \$5,000
22 investment in DDCTE would earn a return of \$10,000 to \$15,000 within a few months. Gilgeours also
23 represented that the investor’s funds would be used by DDCTE’s subsidiaries, including a clothing business
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1 and an online gaming and advertising business. To date, the investor has not received any return on their
2 investment and Gilgeours has stopped communicating with the investor.

3 **Misrepresentations and Omissions**

4 5. When offering and selling the investment, Gilgeours misrepresented and failed to disclose
5 material risks of the investment. Gilgeours failed to disclose that DDCTE had never been incorporated.
6 Gilgeours failed to provide any financial statements or to disclose the assets and liabilities and the operating
7 history of DDCTE. When the investor asked Gilgeours about the risks of the investment, Gilgeours
8 misleadingly stated that the risks of the investment were mostly timing, such as missing a fashion trend.
9 Gilgeours failed to disclose to the investor that Gilgeours had a prior juvenile criminal conviction for robbery.
10 Gilgeours also failed to disclose that the investor could lose all of their investment.

11 Based upon the above Findings of Fact, the following Conclusions of Law are made:

12 **CONCLUSIONS OF LAW**

13 1. The offer and/or sale of the investment described above constitutes the offer and/or sale of a
14 security as defined in RCW 21.20.005(14) and (17).

15 2. Gilgeours has violated RCW 21.20.010, because, as set forth in the Tentative Findings of Fact,
16 the Respondent made untrue statements of material fact or omitted to state material facts necessary to make
17 the statements made, in light of the circumstances in which they were made, not misleading.
18

19 Based upon the foregoing and finding it in the public interest:

20 **FINAL ORDER**

21 IT IS HEREBY ORDERED that the Respondent Jahshan Gilgeours, their agents and employees each
22 shall cease and desist from offering and/or selling securities in any manner in violation of RCW 21.20.010,
23 the anti-fraud section of the Securities Act of Washington.
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1 IT IS FURTHER ORDERED that the Respondent Jahshan Gilgeours shall be liable for and pay a fine
2 in the amount of \$2,500.

3 IT IS FURTHER ORDERED that the Respondent Jahshan Gilgeours, shall be liable for and pay costs
4 in the amount of \$1,000.

5 **AUTHORITY AND PROCEDURE**

6 This FINAL ORDER is entered pursuant to the provisions of RCW 21.20.390 and is subject to the
7 provisions of RCW 21.20.440 and Chapter 34.05 RCW. The Respondent has the right to petition the superior
8 court for judicial review of this agency action under the provisions of RCW 34.05. For the requirements for
9 Judicial Review, see RCW 34.05.510 and sections following. Pursuant to RCW 21.20.395, a certified copy
10 of this Order may be filed in Superior Court. If so filed, the clerk shall treat the Order in the same manner as
11 a Superior Court judgment as to the fine, and the fine may be recorded, enforced, or satisfied in like manner.
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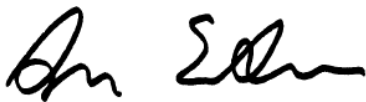
13 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

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15 SIGNED and ENTERED this 13th day of August, 2019

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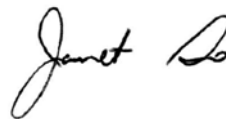
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19 _____
20 William M. Beatty
21 Securities Administrator

22 Approved by:

23 

24 _____
25 Suzanne E. Sarason
Chief of Enforcement

Presented by:



_____ Janet So
Financial Legal Examiner

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Reviewed by:



Brian J. Guerard
Financial Legal Examiner Supervisor