

**STATE OF CALIFORNIA  
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY  
DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION**

TO: Presidential Investments, LLC

Shareif Deona McDowell  
FCI Dublin  
5701 8th Street, Camp Parks  
Dublin, CA 94568

**DESIST AND REFRAIN ORDER**

**(For Violations of California Corporations Code sections 25230, 25401, 29520, and 29536)**

The Commissioner of Financial Protection and Innovation (Commissioner), based on information and belief, finds that:

1. The Department of Financial Protection and Innovation regulates the offer and sale of securities in California under the Corporate Securities Law of 1968 (Cal. Corp. Code §§ 25000-25707) (CSL) and the offer and sale of commodities in California under the California Commodity Law of 1990 (Cal. Corp. Code §§ 29500-29592) (CCL).

2. Sharief Deona McDowell (McDowell or Respondent) is a former resident of Loma Linda, California. McDowell was the founder and sole owner of Presidential Investments LLC (Presidential Investments), a purported investment company, and controlled its operations, finances, accounts, and books and records.

3. Presidential Investments is a limited liability company formed in the State of Nevada in October 2018. Presidential Investments purported to be an investment company.

4. Beginning in or around October 2018 and continuing through March 2022 (Relevant Period) in Riverside and Orange Counties, McDowell through Presidential Investments knowingly solicited money from at least twenty-eight victims by falsely representing that she, through Presidential Investments, would use the victims’ money to purchase commodity futures and options contracts on their behalf. Collectively, McDowell solicited and misappropriated at least \$2,678,768.96 from at least twenty-eight victims.

1           5.       In the course of her solicitation of prospective clients, McDowell represented to  
2 individuals that traditional investment vehicles like pensions and 401Ks were unsafe, risky, and  
3 subject to “hyperinflation,” and that she advised that clients should pull equity out of their homes  
4 and stock market to purchase gold and silver to “protect against a declining dollar.”

5           6.       Further, in the solicitation of prospective and existing clients, McDowell knowingly  
6 made false and misleading material statements. McDowell told clients that she used the funds  
7 transferred to Presidential Investments to trade options on futures contracts on their behalf.  
8 McDowell told clients that she would trade futures contracts to grow their accounts in order to  
9 reach the margin amounts needed to invest in options.

10          7.       Contrary to these misrepresentations, McDowell did not conduct any trading on  
11 behalf of clients and instead misappropriated client funds for her own direct and personal benefit.  
12 McDowell used victims’ money to pay for personal expenses and gifts for third parties, and to  
13 make payments to other investors, which McDowell falsely represented were disbursements from  
14 the recipients’ own investment accounts.

15          8.       To further her fraudulent scheme, McDowell fabricated trade confirmations and  
16 account statements, which she sent to investors via text message and email, to deceive the investors  
17 into thinking that she executed trades on their behalf and that their investments were generating  
18 returns.

19          9.       Further, McDowell failed to inform prospective and existing clients that the  
20 Commodity Futures Trading Commission (CFTC) previously filed an action against her and others  
21 in the U.S. District Court for the Central District of California, charging her and other defendants  
22 with making false and misleading sales representations and failing to disclose material facts in the  
23 course of their solicitations of customers to trade options on commodity futures contracts. *See*  
24 *Compl., CFTC v. 20/20 Trading Co., Inc.*, No. 11-cv-006430JLS (C.D. Cal. Apr. 26, 2011), ECF  
25 No. 1.

26          10.       During the Relevant Period, McDowell was not registered with the Commissioner  
27 or any other entity as an investment adviser and was not registered as a Commodities Trading  
28 Advisor (CTA) with the CFTC.

1           11.     On November 30, 2022, McDowell entered a guilty plea to one count of wire fraud  
2 in a criminal action in the U.S. District Court for the Central District of California. *See* Plea  
3 Agreement, *United States v. McDowell*, 5:22-cr-00274-AB (C.D. Cal., filed Nov. 30, 2022), ECF  
4 No. 7. McDowell was ordered to pay \$2,446,093 in restitution and was sentenced to 63 months in  
5 federal prison for her involvement in the aforementioned investment fraud scheme.

6           12.     On May 25, 2023, the CFTC issued an order and settlement against Shareif Deona  
7 McDowell for fraud in connection with options on commodity futures contracts by a commodity  
8 trading advisor, and for failing to register as a CTA in violation of the Commodity Exchange Act, 7  
9 U.S.C. §§ 6c(b), 6m(1), 6o(1)(A)-(B). The order requires McDowell to pay \$2,376,509.96 in  
10 restitution and a \$2,376,509.96 civil monetary penalty.

11           Based on the foregoing findings, the Commissioner is of the opinion that McDowell and  
12 Presidential Investments sold or purchased, offered to sell or purchase any commodity under any  
13 commodity contract or under any commodity option, in violation of section 29520 of the  
14 Corporations Code.

15           Based on the foregoing findings, the Commissioner is of the opinion that McDowell and  
16 Presidential Investments conducted business or offered to conduct business as an investment  
17 advisor in this state without first securing from the Commissioner a certificate, authorizing them to  
18 do so, in violation of section 25230 of the Corporations Code.

19           Based on the foregoing findings, the Commissioner is of the opinion that McDowell and  
20 Presidential Investments have engaged in the offer and sale of securities, commodities contracts,  
21 and commodities options, by means of written or oral communications that included untrue  
22 statements of material fact or omitted to state material facts necessary in order to make the  
23 statements made in light of the circumstances under which they were made, not misleading, in  
24 violation of sections 25401 and 29536 of the Corporations Code.

25           Pursuant to sections 25532 and 29542 of the Corporations Code, Sharief Deona McDowell  
26 and Presidential Investments LLC are hereby ordered to desist and refrain from further offering or  
27 selling or buying or offering to buy any security or commodity in the State of California, including  
28 but not limited to investment contracts, commodity contracts, and commodity options unless and

1 until those activities are not in violation of Corporations Code section 29520 or 25230, or from  
2 selling or buying or offering to buy any security or commodity in the State of California, including  
3 but not limited to investment contracts, commodity contracts, and commodity options by means of  
4 any written or oral communication which includes an untrue statement of a material fact or omits to  
5 state a material fact necessary in order to make the statement made, in light of the circumstances  
6 under which they were made, not misleading, in violation of Corporations Code sections 25401 and  
7 29536.

8 This Order is necessary, in the public interest, to protect investors and is consistent with the  
9 purposes, policies, and provisions of the Corporate Securities Law of 1968 and the California  
10 Commodity Law of 1990.

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12  
13 Dated: December 12, 2023

CLOTHILDE V. HEWLETT  
Commissioner of Financial Protection and Innovation



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15  
16 By: \_\_\_\_\_  
17 MARY ANN SMITH  
18 Deputy Commissioner  
19 Enforcement Division  
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