BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the matter of,	SUMMARY ORDER TO CEASE AND DESIST
THESCRUBBIEGLOVE, LLC, ANGELA NICOLE MONACO aka ANGELA NICOLE BECKCOM aka ANGELA RUBBO BECKCOM aka ANGELA RUBBO MONACO BECKCOM aka ANGELA RUBBO JR, and STEVEN DYKES aka STEVEN DAY,	DFI Case No. S-237900 (EX)
Respondents.	

I.

The Administrator of the State of Wisconsin, Department of Financial Institutions, Division of Securities ("Division"), having legal authority and jurisdiction to administer and enforce the Wisconsin Uniform Securities Law, Wis. Stats. Ch. 551 ("Ch. 551") and rules and orders promulgated thereunder, and having determined that this action is necessary and appropriate in the public interest and for the protection of investors, hereby enters this Order as follows:

II.

Division staff have presented evidence sufficient for the Administrator to make the following findings of fact and conclusions of law:

A. Findings of Fact

Respondents

1. TheScrubbieglove, LLC ("Scrubbieglove") is a limited liability company organized under the laws of the State of Florida, effective November 25, 2016, with a last known address of 4028 NE 6th Ave., Oakland Park, FL 33334. Scrubbieglove was administratively dissolved by the State of Florida on September 28, 2018 for failing to file an annual report

2. Angela Nicole Monaco aka Angela Nicole Beckcom aka Angela Rubbo Beckcom aka Angela Rubbo Monaco Beckcom aka Angela Rubbo Jr. ("Monaco") (CRD #7019283) is

an adult female with a last known location of Coral Springs, Florida. Presently, Monaco is confined at Coleman Federal Correctional Complex, 846 NE 54th Terrace, Sumterville, FL 33521. At all times material, Monaco was the owner and controlling person of Scrubbieglove.

3. Steven Dykes aka Steven Day ("Dykes") is an adult male with a last known location of Plantation, Florida. Presently, Dykes is confined at Coleman Federal Correctional Complex, 846 NE 54th Terrace, Sumterville, FL 33521.

Conduct

4. On or about October 4, 2017, Dykes, under the alias Steven Day, contacted a Wisconsin resident by telephone and email about a purported investment opportunity in Scrubbieglove. The email from scrubbieco@gmail.com included links to a promotional video and an article about a product called "Scrub Daddy." Dykes also attached the business plan for Scrubbieglove, which was authored by Rubbo under the alias Angela Monaco.

5. The Scrubbieglove business plan touts that Scrubbieglove is a United States patented product[1], that it is a glove with a permanently attached sponge or scrub brush, that it is available to investors under an exclusive licensing/partnership agreement, and that their target market would be food network shows, infomercials, and programs like QVC. The business plan also represents that Scrubbieglove "is looking for a JV partner/partners Or was willing to provide 'royalties' (membership interests) by offering 25% equity for 1 million dollars."

6. On October 5, 2017, the Wisconsin resident received an email from scrubbieco@gmail.com which included a Scrubbieglove member agreement and promissory note. The email instructed the Wisconsin resident to sign and mail the member agreement and promissory note to The Scrubbieglove LLC, Att: Angela Monaco, 4028 NE 6th Ave, Oakland Park, FL 33334, and to wire transfer their funds to a Scrubbieglove account at PNC Bank in Florida.

7. On October 9, 2017, the Wisconsin resident received an email from scrubbieco@gmail.com which included a revised member agreement with additional terms. He was again instructed to sign and mail the agreement to "Monaco" at the same address listed in the October 5, 2017 email. On the same day, the Wisconsin resident contacted the Division about his contacts with Scrubbieglove and his suspicions that this was a fraudulent investment.

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[1] A search of the US Patent and Trademark Office revealed that on July 26, 2013, The Spongebuddy LLC filed for a patent for a rubber glove with a sponge covering. The inventors were listed as Angela N. Rubbo Beckcom and Michelle L. Corey Rubbo. The patent number is D713612.

8. On October 10, 2017, Dykes as "Day" called the Wisconsin resident. During the conversation, the Wisconsin resident asked "Day" if there was someone at QVC he could talk to about the Scrubbieglove product. "Day" told the Wisconsin resident that if the resident spoke to QVC he would be breaking a non-disclosure agreement. However, the resident had not signed a non-disclosure agreement. "Day" further told the Wisconsin resident he should not talk to anyone about Scrubbieglove and if he did, "Day" would know where it came from and it would not be good for him. "Day" also told the Wisconsin resident the agreement and promissory note were not securities and, therefore, no registration was required.

9. Neither Monaco nor Dykes were ever registered with the Division in any capacity.

10. At the time of the offer of the Scrubbieglove promissory note to the Wisconsin resident, the Respondents did not disclose to the Wisconsin resident the following enforcement actions against Rubbo, Dykes, and other affiliated persons:

    - May 8, 2002: United States Securities and Exchange Commission Amended Complaint; Case No. 02-60255 charged Monaco (as Angela Rubbo Jr.) and others with violations of the antifraud and registration provisions of the federal securities laws. It alleged the defendants raised $80,500 by placing an offering memorandum on a website and running a "boiler room operation" that cold-called investors. In the Final Judgment dated March 19, 2004, Monaco was permanently restrained and enjoined from future violations of the federal securities laws, ordered to disgorge $80,500, and to pay a civil penalty of $30,000.
    - October 25, 2013: State of Illinois, Secretary of State, Securities Department Temporary Order of Prohibition, File No. 1300296 charged Monaco (as Angela Rubbo Beckcom) and Dykes with fraud and registration violations in connection with the offering of securities related to Spongebuddy, a prior version of Scrubbieglove. On April 15, 2014, Monaco and Dykes entered into a Consent Order which permanently barred them from issuing, offering or selling securities in Illinois.
    - March 9, 2012: Convictions for larceny and grand theft larceny against Dykes in Broward County, Florida.

11. In November 2017, the U.S. Attorney's Office for the District of Colorado indicted Monaco (as Angela Nicole Monaco) and Dykes were indicted for their roles in a $6 million investment fraud scheme, charging them with conspiracy to commit mail fraud, securities fraud, and money laundering. According to the indictment, the investment fraud scheme focused on a television production company, VIP Television, LLC based in Florida, and Scrubbieglove. Investors sent money to both of these companies as a

result of false statements about VIP Television's merger opportunities and interest in Scrubbieglove by entities such as QVC, Walgreens, and Bed, Bath & Beyond. After reaching plea agreements, Monaco was sentenced to 74 months in prison and Dykes was sentenced to 108 months in prison.

12. On or about November 30, 2017, the SEC charged Monaco (as Angela Rubbo Monaco Beckcom), Dykes, and Joseph Rubbo (Monaco's brother) with violating the anti-fraud provisions of the securities laws by defrauding elderly investors through offerings by their companies VIP Television and The Spongebuddy, LLC. Final judgment was entered in 2018, but the SEC's claims for disgorgement and civil penalties against Monaco and Dykes were dismissed due to the defendants' prison sentences and restitution orders in the parallel criminal cases.

13. The Scrubbieglove promissory note is an investment contract security as defined by Wis. Stat. § 551.102(28)(d)1., because it constitutes an investment in a common enterprise with the expectation of profits to be derived through the essential managerial efforts of someone other than the investor.

14. The Scrubbieglove investment contract has never been registered for offer and sale as a security with the SEC or in Wisconsin pursuant to Ch. 551, Wis. Stats.

B. Conclusions of Law

<u>Legal Authority and Jurisdiction</u>

15. The Administrator has legal authority and jurisdiction over the conduct described above, pursuant to Wis. Stats. Ch. 551 and the rules and orders promulgated thereunder.

16. Pursuant to Wis. Stat. § 551.301, it is unlawful for a person to offer or sell a security in this state unless the security is registered in this state or is an exempt or covered security.

17. Pursuant to Wis. Stat. § 551.501(2), it is unlawful for a person, in connection with the offer, sale or purchase of a security, directly or indirectly, to make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

Violations

18. By offering an investment contract to a Wisconsin resident in the form of a promissory note, the Respondents violated Wis. Stat. § 551.301 by offering to sell a security in this state that is not registered in this state and is not an exempt or covered security.

19. Through the conduct described above, Respondents violated Wis. Stat. § 551.501(2) by, in connection with the offer of a security, making untrue statements of material fact and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

III.

In view of the above findings of fact and conclusions of law, the Administrator deems it necessary and appropriate in the public interest and for the protection of investors, and pursuant to its legal authority and jurisdiction under Ch. 551, to wit Wis. Stat. § 551.604, to issue the following orders and notices:

A. Summary Orders issued pursuant to Wis. Stat. § 551.604(2)

(a) IT IS ORDERED that RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of any RESPONDENT, shall cease and desist from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551 or successor statute, pursuant to Wis. Stat. §§ 551.604(1)(a) and (2).

(b) IT IS FURTHER ORDERED that all exemptions from registration set forth at Ch. 551 or successor statute that might otherwise apply to any offer or sale of any security of or by any of the RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of any RESPONDENT, are hereby revoked, pursuant to Wis. Stats. §§ 551.604(1)(b) and (2).

(c) IT IS FURTHER ORDERED that RESPONDENTS, their successors, affiliates, controlling persons, officers, agents, servants, employees and every entity and person directly or indirectly controlled or hereafter organized by or on behalf of any RESPONDENT, are prohibited from violating Wis. Stat. § 551.501 or successor statute.

(d) PLEASE TAKE NOTICE that the summary orders of the Administrator are effective as of the issuance of this order, pursuant to Wis. Stat. § 551.604(2).

B. Service of Order

(e) IT IS FURTHER ORDERED that this order shall be sent promptly by certified mail to each party named in the order at his or her last known address or to the party's attorney of record, or shall be personally served upon the party or the party's attorney of record, pursuant to DFI-Sec. 8.06, Wis. Admin. Code. This order shall also be served upon the office of the administrator pursuant to Wis. Stat. § 551.611.

(f) PLEASE TAKE NOTICE that the date of the service of this order is the date it is placed in the mail. You are advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

C. Notice of Hearing Rights

(g) PLEASE TAKE NOTICE that you have the right to request a hearing. Every request for a hearing shall be in the form of a petition with the Division, pursuant to Wis. Admin. Code § DFI-Sec. 8.01. A petition for a hearing to review the order shall:

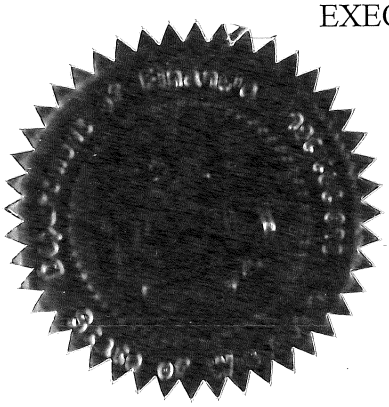
(1) Plainly admit or deny each specific allegation, finding or conclusion in the order and incorporated papers. However, if the petitioner lacks sufficient knowledge or information to permit an admission or denial, the petition shall so state, and that statement shall have the effect of a denial; and

(2) State all affirmative defenses. Affirmative defenses not raised in the request for hearing may be deemed waived.

(h) PLEASE TAKE FURTHER NOTICE that, within 15 days after receipt of a request in a record from you, the matter will be scheduled for a hearing or other public administrative proceedings, pursuant to Wis. Stats. §§ 551.604(2) and (3).

(i) PLEASE TAKE FURTHER NOTICE that if you do not request a hearing and none is ordered by the Administrator within 30 days after the date of service of this order, the findings of fact, conclusions of law, and summary orders become final as by operation of law, pursuant to Wis. Stat. §551.604(2).

EXECUTED at Madison, Wisconsin, this 31st day of October, 2018.



Leslie M. Van Buskirk
Administrator

Division of Securities
State of Wisconsin
Department of Financial Institutions
4822 Madison Yards Way
North Tower, 4th Floor
Madison, Wisconsin 53705

State of Wisconsin

Department of Financial Institutions

Scott Walker, **Governor** | Jay Risch, **Secretary**

AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose, and state:

1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.

2. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have caused to be served copies of the following documents upon the Administrator for the Division of Securities:

   i. A copy of the Summary Order to Cease and Desist, DFI Case No. S-237900 (EX); and

   ii. A copy of this Affidavit of Service.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi
KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

Subscribed and sworn to before me

This 31st day of October, 2018.

Lindsay Fedler

Notary Public, State of Wisconsin

My commission is permanent.

(Notary Seal)

LINDSAY FEDLER
NOTARY
PUBLIC
STATE OF WISCONSIN