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

IN THE MATTER OF DETERMINING ) Order No.: S-19-2697-19-FO01  
Whether there has been a violation of the )  
Securities Act of Washington by: ) ENTRY OF FINDINGS OF FACT AND  
) CONCLUSIONS OF LAW AND  
My Covenant Love Inc., ) FINAL ORDER TO CEASE AND DESIST,  
Kenneth Renard Smith, ) TO IMPOSE FINES, AND  
Martha Solomon, ) TO CHARGE COSTS  
)  
Respondents )

**THE STATE OF WASHINGTON TO: My Covenant Love Inc.  
Kenneth Renard Smith  
Martha Solomon**

On July 3, 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 Fines, and to Charge Costs, Order No. S-19-2697-19-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,” were served on Respondent My Covenant Love Inc. on July 9, 2019; on Respondent Kenneth Renard Smith on July 12, 2019; and served on Respondent Martha Solomon on July 16, 2019. The Notice of Opportunity for Hearing advised each Respondent 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. Respondents My Covenant Love Inc., Kenneth Renard Smith, and Martha Solomon each 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 Respondents

1 to cease and desist from violations of the Securities Act, and to impose the fines and costs sought in the  
2 Statement of Charges.

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

#### 4 **FINDINGS OF FACT**

##### 5 **Respondents**

6 1. My Covenant Love Inc. (“MCL”) is a Florida corporation formed on February 22, 2012 with  
7 its principal place of business in Brooksville, Florida. MCL is also registered in Texas as a foreign corporation  
8 with a principal place of business in Killeen, Texas. MCL represented to investors that it was developing a  
9 social media platform that would be used for educational, religious, and family-based activities.

10 2. Kenneth Renard Smith (“Smith”) held himself out as the President of MCL and as a pastor.  
11 Smith resided in Killeen, Texas.

12 3. Martha Solomon (“Solomon”) held herself out as an elected executive board member of MCL.  
13 Solomon resided in Chicago, Illinois.

##### 14 **Overview**

15 4. From at least February 2018 through April 2018, the Respondents offered and sold a total of  
16 more than \$25,000 of MCL investments to at least 10 Washington investors. When making their MCL  
17 investments, at least one of the investors was directed by Solomon to transfer their funds to a bank account  
18 held by Smith.  
19

##### 20 **Weekly Conference Calls**

21 5. In 2018, Solomon held weekly teleconferences to promote MCL and to solicit investments in  
22 the company. The phone calls were conducted in the Tigrigna language, which is spoken in Eritrea, Africa.  
23 Solomon solicited investments from Eritrean immigrants who had limited savings to invest. The investors  
24 trusted Solomon because she spoke their language. During the phone calls, Solomon represented that by  
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1 investing in MCL, investors would be empowering their community and making an investment with a social  
2 return. Solomon also represented that investors would earn a significant personal return on the investment,  
3 so they could improve their own standard of living.

#### 4 **Purported Investor Benefits**

5 6. Without providing specific information, Respondents represented to investors that MCL would  
6 pay some of the investors' bills (including rent or mortgage, utilities, insurance, and legal expenses).  
7 Respondents also represented that within approximately six months after investing, the investors would earn  
8 a return of \$2,100 per month for life for every \$1,700 that they invested in MCL. If the investors wanted to  
9 recruit seven additional people to invest, the investors would only have to make an initial investment of \$1,000  
10 to receive \$2,100 per month for life. During a phone call, Solomon represented that MCL's lifetime monthly  
11 benefits would be transferable. Solomon also told at least one investor that MCL's monthly benefits would  
12 come from the advertising revenues for MCL's social media platform.

#### 13 **Material Misrepresentations and Nondisclosures**

14 15 7. When offering and selling MCL investments, Solomon misrepresented the risks of the  
16 investments and each of the Respondents failed to disclose material risks about the investments. During phone  
17 calls, Solomon falsely stated that the MCL investments were guaranteed and that MCL investments had no  
18 risk. The Respondents each failed to provide the investors with any financial statements or financial operating  
19 history for the company. In some cases, the Respondents failed to disclose the intended use of the investors'  
20 funds. The Respondents each failed to disclose whether any compensation would be received by Solomon or  
21 by Smith.

22 8. The Respondents each failed to disclose significant background information about Solomon  
23 and Smith. The Respondents failed to disclose that in May 2014, Solomon was subject to a civil judgment  
24 from Commonwealth Edison for more than \$18,000 and in September 2014, Solomon was subject to a civil  
25

1 judgment from Portfolio Recovery for more than \$12,000. The Respondents each failed to disclose that Smith  
2 had filed a voluntary petition for Chapter 13 bankruptcy on August 6, 2002. The Respondents each failed to  
3 disclose that in April 1995, Smith received a judgment for a criminal misdemeanor for an endless chain  
4 scheme and in October 1996, Smith received a judgment for a criminal misdemeanor for theft of services  
5 between \$200 and \$750.

6 **No Returns on MCL Investments and an Unexpected Change of Entity (UpLyfft)**

7 9. None of the identified Washington investors received any payments from MCL or any return  
8 on their MCL investments. On or about May 7, 2018, the investors received a surprise email. The email  
9 announced that a company named UpLyfft was launching a brand new social media marketing platform. The  
10 email invited the investors to join UpLyfft. The email also stated that “[E]ffective immediately, we are no  
11 longer associated with MCL (My Covenant Love), in any capacity.” When they made their investments in  
12 MCL, the Washington investors had never heard of UpLyfft and the Respondents each failed to disclose any  
13 relationship between MCL and UpLyfft.

14 **Registration Status**

15 10. MCL is not currently registered to sell its securities in the state of Washington and has not  
16 previously been so registered.

17 11. Smith is not currently registered as a securities salesperson or broker-dealer in the state of  
18 Washington and has not previously been so registered.

19 12. Solomon is not currently registered as a securities salesperson or broker-dealer in the state of  
20 Washington and has not previously been so registered.

21 Based upon the above Findings of Fact, the following Conclusions of Law are made:  
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**CONCLUSIONS OF LAW**

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

2. MCL, Smith, and Solomon have each violated RCW 21.20.140, because, as set forth in the Tentative Findings of Fact, Respondents offered and/or sold securities for which no registration is on file with the Securities Administrator.

3. Smith and Solomon have each violated RCW 21.20.040 by offering and/or selling said securities while not being registered as a securities salesperson or broker-dealer in the state of Washington.

4. MCL, Smith, and Solomon have each violated RCW 21.20.010, because, as set forth in the Tentative Findings of Fact, Respondents made untrue statements of material fact or omitted to state material facts necessary to make the statements made, in light of the circumstances in which they were made, not misleading.

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

**FINAL ORDER**

IT IS HEREBY ORDERED that the Respondents My Covenant Love Inc., Kenneth Renard Smith, and Martha Solomon, their agents and employees each shall cease and desist from offering and/or selling securities in any manner in violation of RCW 21.20.140, the securities registration section of the Securities Act of Washington.

IT IS FURTHER ORDERED that the Respondents Kenneth Renard Smith and Martha Solomon, their agents and employees each shall cease and desist from offering and/or selling securities in any manner in violation of RCW 21.20.040, the securities salesperson registration section of the Securities Act of Washington.

1 IT IS FURTHER ORDERED that the Respondents My Covenant Love Inc., Kenneth Renard Smith,  
2 and Martha Solomon, their agents and employees each shall cease and desist from violating RCW 21.20.010,  
3 the anti-fraud section of the Securities Act of Washington.

4 IT IS FURTHER ORDERED that the Respondent Kenneth Renard Smith shall be liable for and pay a  
5 fine in the amount of \$10,000 and that the Respondent Martha Solomon shall be liable for and pay a fine in  
6 the amount of \$10,000.

7 IT IS FURTHER ORDERED that the Respondent Kenneth Renard Smith shall be liable for and pay  
8 costs in the amount of \$2,500 and that the Respondent Martha Solomon shall be liable for and pay costs in  
9 the amount of \$2,500.

10 **AUTHORITY AND PROCEDURE**

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

19 SIGNED and ENTERED this 14<sup>th</sup> day of August, 2019  
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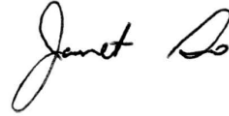
23  
24 William M. Beatty  
25 Securities Administrator

1 Approved by:

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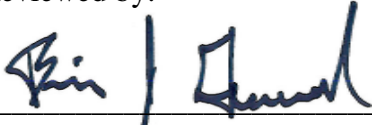
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4 Suzanne E. Sarason  
5 Chief of Enforcement

Presented by:



6 Janet So  
7 Financial Legal Examiner

8 Reviewed by:

9 

10 Brian J. Guerard  
11 Financial Legal Examiner Supervisor

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