

IN THE MATTER OF:)
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)
IDEAL FINANCIAL SERVICES,)
IDEAL FINANCIAL HOLDINGS,)
AND BARBARA A. HIRSHFIELD,)
)
RESPONDENTS.) Docket No. E-2025-0202
)

I. PRELIMINARY STATEMENT

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Hirshfield operated Ideal and Ideal Holdings as a Ponzi scheme, and used investor funds to make interest payments to prior investors. Through their scheme, Respondents raised more than \$7.6 million from investors since 2019 alone.

The Division seeks an order: (1) finding as fact all allegations set forth in Sections IV through VI of this Complaint; (2) concluding that Respondents violated the Act and the Regulations as alleged in Section VII of this Complaint; (3) finding that all of the sanctions and remedies detailed herein are necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act; (4) requiring Respondents to permanently cease and desist from further acts and practices in violation of the Act and Regulations; (5) imposing administrative fines on Respondents in such amount and upon such terms and conditions as the Director or Presiding Officer may determine; (6) requiring Respondents to provide a verified accounting of all proceeds received as a result of the wrongdoing; (7) requiring Respondents to disgorge all ill-gotten gains received in connection with the wrongdoing; (8) requiring Respondents to make rescission offers, including interest, to all investors in connection with the wrongdoing; (9) censuring Respondent(s); (10) permanently barring Respondents from registering in Massachusetts as, associating or affiliating with, or acting as a(n) broker-dealer, broker-dealer agent, investment adviser, investment adviser representative, Securities and Exchange Commission-registered investment adviser, an investment adviser exempted from registration, a person relying on an exclusion from the definition of investment adviser or broker-dealer in any capacity, issuer, issuer-agent, or as a partner, officer, director, or control person of any of the foregoing; (11) permanently barring Respondents from offering or selling securities from or within Massachusetts, and to persons or entities in

Massachusetts; and (12) taking any such further actions that may be necessary or appropriate in the public interest or for the protection of investors.

II. SUMMARY

Although over one hundred years have passed since Charles Ponzi orchestrated his eponymous scheme here in Massachusetts, fraudsters in the Bay State continue to employ the same fraudulent tactics that Charles Ponzi used—attracting investors by promising high returns while secretly using new investors’ funds to pay back existing investors. Massachusetts resident Barbara Hirshfield has turned what was once a legitimate business, Ideal Financial Services, Inc. (“Ideal”), into a classic Ponzi scheme. Since 2019, Ideal, through Hirshfield, has raised over \$7.6 million from the sales of investment notes to at least 180 investors. Approximately \$7.2 million of these funds were used to pay interest or repay principal to other investors. Approximately 150 of the investors are Massachusetts residents, many of whom live in the Springfield, Massachusetts area. The Division files this complaint to put a stop to Respondents’ ongoing fraud.

Barbara Hirshfield’s father incorporated Ideal Financial Services, Inc. (“Ideal”) in 1948 as Ideal Budget Plan, Inc. Operating out of Springfield, Massachusetts, Ideal’s initial business purpose was to provide financing to Massachusetts consumers purchasing furniture and home appliances. In 1980, Barbara Hirshfield and her sister assumed control of the business following their father’s death.

In the ensuing years, Hirshfield and her sister rebranded the company, giving it its current name, and changed the company’s focus from general consumer financing to motor vehicle loan financing to both dealerships and individuals buying and selling cars, motorcycles, boats, and recreational vehicles.

To support its motor vehicle loan financing business, Ideal also offered and sold non-exempt investment notes. Individuals, the vast majority of whom are current or former Massachusetts residents, purchased promissory notes (“Notes”) from Ideal. In 2005, Hirshfield and her sister formed Ideal Financial Holdings, Inc. (“Ideal Holdings”), and began issuing the Notes through Ideal Holdings. Ideal’s managers continued to sign the Notes after 2005. The Notes purported to mature at a future date, usually between one and two years after the date of the initial investment. Under the terms of the Notes, Respondents agreed to pay interest to the investors, either monthly or quarterly, at a high rate of return. Over time, Respondents increased the interest rates offered on new Note sales to attract new investors and raise additional money for Ideal. Consistent with the hallmark of a Ponzi scheme, investors were given two options upon the maturity of the Notes: they could receive their principal investment back from Ideal, or they could “roll over” their investment into a new Note with a new maturity date. Many investors chose the latter; Respondents paid a high interest rate, paid it regularly, and always offered the option to redeem the Notes upon maturity.

While Ideal’s investment business continued, the motor vehicle loan financing business ran into significant legal roadblocks. In November 2012, the Massachusetts Division of Banks and Ideal entered into a Consent Order (the “2012 Consent Order”) due to concerns over Ideal’s finances. The 2012 Consent Order required Ideal to provide information to the Division of Banks and, more importantly, to cease soliciting and accepting outside funds to finance its business.

The 2012 Consent Order did not have the desired corrective effect. In early 2014, the Massachusetts Division of Banks revoked Ideal's licenses to operate as a motor vehicle sales finance company and a small loan company.

Without these licenses, Respondents could no longer issue motor vehicle loans itself and operate as a motor vehicle loan financing company. Instead, Ideal began connecting dealerships with banks. The banks issued loans to dealerships and Ideal received a small fee for each loan issued. However, Ideal continued to sell Notes and pay interest to existing Note holders with only this minimal underlying revenue stream. Consequently, almost all of the money coming into Ideal was through its sales of Notes. With an increasing number of investors owed interest payments, Hirshfield sought new investors.

Since at least 2019, Hirshfield operated Ideal as a Ponzi scheme, using the money raised through Note sales to new investors to repay interest owed to existing Note holders. Investor funds were deposited into and paid out of two TD Bank accounts. Hirshfield generally deposited investor funds into a money market savings account at TD Bank held in the name of Ideal (the "Ideal Savings Account"), transferred money from the Ideal Savings Account into a business checking account at TD Bank held in the name of Ideal (the "Ideal Checking Account"), and ultimately paid interest and repaid principal to investors out of the Ideal Checking Account. Hirshfield at times deposited investor funds directly into the Ideal Checking Account, and did so with increasing frequency as the scheme progressed. Hirshfield deposited most investor funds into the Ideal Checking Account beginning in 2024.

In soliciting investors, Ideal and Hirshfield made materially misleading statements relative to the investment. Hirshfield led investors to believe that they were investing in Ideal, a long-standing business in the Springfield, Massachusetts area, operating legally within Massachusetts. Hirshfield led investors to believe Ideal was loaning funds to individuals purchasing used cars, and their payments on these loans would fund Ideal's interest payments to noteholders.

Investors eventually began to question Ideal's business. In October 2024, Ideal began to miss interest payments to investors. As the months progressed, more investors reported missed interest payments, causing some to try to withdraw their entire investment. Hirshfield attempted to excuse the missed interest payment by blaming TD Bank for issues in processing payments.

Since 2019, Ideal raised over \$7,600,000 from the sales of its Notes to at least 180 investors, approximately \$7,200,000 of which was used to pay interest or repay principal to other investors.

Many of the investors live in the Springfield, Massachusetts area. Many of the investors are related, descended from the families and investors who invested with Ideal in its early years, when its original founder operated the business. The investors, who for decades had seen substantial income through interest payments on their Notes, referred family and friends to Ideal as an investment opportunity. Retired investors relied on the interest payments to supplement their Social Security income. Believing they had invested in a prosperous motor vehicle lending company, investors depended on the interest payments to pay for living expenses, medical bills, or their children's college tuition.

payments. Many investors bought Notes in their children's names to provide them with future stability.

Hirshfield knowingly took new money from investors while Ideal fell behind on interest payments to other investors. In doing so, she took advantage of the investors' trust in Ideal's historic reputation to keep the shell of Ideal's business running. The Division files this Complaint to prevent Respondents from continuing their fraud at the expense of investors and to seek the return of any recoverable assets to defrauded investors.

III. JURISDICTION AND AUTHORITY

1. The Division has jurisdiction over matters relating to securities pursuant to the Act and Regulations.
2. The Division brings this action pursuant to the authority granted by Sections 407A, 412, and 414 of the Act, wherein the Division has the authority to conduct an adjudicatory proceeding to enforce the provisions of the Act and the Regulations.
3. The Division files this Complaint in accordance with Section 10.06 of the Regulations.
4. The Division's investigation is current and ongoing and may result in the filing of additional administrative complaints.

IV. RELEVANT TIME PERIOD

5. Except as otherwise expressly stated, the acts and practices described herein occurred during the approximate time period of January 1, 2012 to the date of this Complaint (the "Relevant Time Period").

V. RESPONDENTS

6. Ideal Financial Services (“Ideal”) is a defunct corporation that was incorporated under the laws of Massachusetts with a principal place of business at 138 Memorial Avenue, Suite 61, West Springfield, Massachusetts 01089. After Ideal failed to file required annual reports with the Corporations Division, Ideal was administratively dissolved on December 31, 2021. Neither Ideal nor its securities have ever been registered with the Division.

7. Ideal Financial Holdings (“Ideal Holdings”) is a defunct corporation that was incorporated under the laws of Massachusetts with a principal place of business at 933 Main Street, Springfield, Massachusetts 01103. After Ideal Holdings failed to file required annual reports with the Corporations Division, Ideal Holdings was administratively dissolved on June 30, 2016. Neither Ideal Holdings nor its securities have ever been registered with the Division.

8. Barbara Hirshfield (“Hirshfield”) is an individual with a last known address in Massachusetts. Hirshfield has never been registered in any capacity with the Division. Hirshfield was the President, Vice President, and Treasurer of Ideal Financial Services, Inc. prior to its dissolution. Since its dissolution, Hirshfield has been the sole manager of Ideal. Hirshfield was the Chief Executive Officer and Chief Financial Officer of Ideal Holdings prior to its dissolution. Since its dissolution, Hirshfield has been the sole manager of Ideal Holdings.

VI. STATEMENT OF FACTS

A. An Overview of Ideal Financial Services' Financing Business.

9. Ideal was incorporated on December 31, 1948 as Ideal Budget Plan, Inc. Ideal was formed to provide consumer financing, including for furniture and home appliances.
10. On April 1, 1983, Ideal Budget Plan, Inc. filed an amendment to change its name to Ideal Financial Services, Inc.
11. Between 1980 and early 2014, Ideal provided motor vehicle loan financing for both car dealerships and consumers in Massachusetts and surrounding states.
12. Prior to 2012, Ideal was registered with the Massachusetts Division of Banks as a motor vehicle finance company under M.G.L. c. 255b, § 2, and 209 CMR 20.00, *et seq.* and small loan company under M.G.L. c. 140, §§ 96 to 114A, and 209 CMR 20.00, *et seq.*
13. On November 13, 2012, the Massachusetts Division of Banks entered into a Consent Order with Ideal (the “2012 Consent Order”).¹ At the time, the Massachusetts Division of Banks was concerned about Ideal’s finances. Under the 2012 Consent Order, Ideal agreed to cease accepting outside funds to finance its motor vehicle financing business. Ideal further agreed to submit financial information to the Massachusetts Division of Banks, including the submission of a capital plan, a two-year profit plan, and monthly financial statements.
14. Ideal did not cease raising outside funds through the sale of promissory notes to investors.
15. On February 11, 2014, the Massachusetts Division of Banks and Ideal entered into a second Consent Order (the “2014 Consent Order”), which superseded the 2012 Consent

¹ <https://www.mass.gov/consent-order/ideal-financial-services-inc-0>

Order.² The 2014 Consent Order stated that the Massachusetts Division of Banks remained concerned about Ideal's finances. Accordingly, the Massachusetts Division of Banks revoked Ideal's motor vehicle sales finance company and small loan company licenses.

16. Hirshfield did not disclose to investors that the Massachusetts Division of Banks had revoked Ideal's motor vehicle financing company license.

17. Hirshfield did not disclose to investors that the Massachusetts Division of Banks had revoked Ideal's small loan company license.

18. After the Division of Banks revoked Ideal's motor vehicle finance company license, Ideal began entering into referral contracts with other lenders.

19. In one such referral contract, Ideal referred dealerships to a local bank. Whenever a referred dealer sold a car with a loan from the bank, Ideal received \$50 from the bank, and between \$49 and \$199 from the dealership, depending on the specific terms of the dealership contract.

20. This \$99 to \$249 per loan issued was, after 2014, Ideal's only source of revenue related to motor vehicle loans.

B. Since 2019, Ideal raised over \$7,600,000 from selling its Notes.

21. For the last approximately forty years, Ideal has sold promissory notes (the "Notes"), purportedly to fund credit offerings.

22. Hirshfield and her sister formed Ideal Financial Holdings, Inc. on August 29, 2005.

23. After 2005, Ideal's Notes were issued under the name Ideal Holdings, although Ideal, through its management, continued to sign the Notes, and Ideal's acronym continued to adorn the Notes.

² <https://www.mass.gov/consent-order/ideal-financial-services-inc>

24. Prior to the dissolution of Ideal Holdings in 2016, Ideal served as Ideal Holdings' registered agent.
25. On information and belief, Ideal Holdings was a wholly-owned subsidiary of Ideal formed for the purpose of issuing Ideal's Notes.
26. After Ideal Holdings failed to file required annual reports with the Corporations Division, Ideal Holdings was administratively dissolved on June 30, 2016.
27. After 2016, Ideal Holdings continued to be represented on the Notes as an incorporated entity.
28. After Ideal failed to file required annual reports with the Corporations Division, Ideal was administratively dissolved on December 31, 2021.
29. Since at least 2019, Hirshfield has been primarily responsible for the offer and sale of Ideal's Notes to investors.
30. In 2009, Hirshfield and her sister opened a checking account in the name of Ideal at TD Bank.
31. At some point between 2009 and 2019, the checking account was converted into a money market savings account (the "Ideal Savings Account").
32. Since 2009, Hirshfield and her sister have been co-signatories on the Ideal Savings Account.
33. On information and belief, Hirshfield's sister has not exercised signatory authority on the Ideal Savings Account since at least 2019.
34. In 2017, Hirshfield opened a checking account in the name of Ideal at TD Bank (the "Ideal Checking Account").
35. Since 2017, Hirshfield has been the sole signatory on the Ideal Checking Account.

36. Hirshfield usually deposited funds generated by the sale of Respondents' Notes into the Ideal Savings Account.
37. Hirshfield usually then transferred funds from the Ideal Savings Account to the Ideal Checking account.
38. At times, and with increasing frequency beginning in 2024, Hirshfield deposited funds generated by the sale of Respondents' Notes directly into the Ideal Checking Account.
39. Regardless of where Hirshfield deposited investor checks, Hirshfield endorsed investor checks for deposit to Ideal's bank accounts.
40. Hirshfield made interest payments to investors primarily from the Ideal Checking Account.
41. At times, Hirshfield made interest payments to investors from the Ideal Savings Account.
42. Hirshfield has never been registered in any capacity in the securities industry in Massachusetts.
43. Ideal has never registered its Notes with the Division.
44. Ideal Holdings has never registered its Notes with the Division.
45. Hirshfield has never registered Ideal's Notes with the Division.
46. Hirshfield has never registered Ideal Holdings' Notes with the Division.
47. Ideal has never sought any exemption from registering the Notes under the Act.
48. Ideal Holdings has never sought any exemption from registering the Notes under the Act.

49. Hirshfield has never sought any exemption from registering the Notes under the Act.
50. Since at least 2019, Hirshfield has had negligible income outside of Ideal.
51. Since at least 2019, Ideal has had negligible income from its motor vehicle loan financing business or any source other than its Note sales.
52. Since at least 2019, Ideal's sole source of revenue related to motor vehicle loans was between \$99 and \$249 in referral fees when dealerships it referred to banks sold cars with a loan from the bank.
53. Since 2019, Respondents have sold Ideal's Notes for over \$7,600,000 to at least 180 investors.
54. Of the 180 investors to whom Respondents have sold Ideal's Notes, 150 were Massachusetts residents at the time of their Note purchase.
55. Many investors purchased Notes not just for themselves, but for their children and grandchildren.
56. More than 200 individuals received interest payments from Ideal.
57. Ideal and Hirshfield represented that investors' funds would be used to finance Ideal's business operations. Investors believed that, through Ideal, Hirshfield would use their principal to make motor vehicle loans. The motor vehicle loan recipients would then repay Ideal, and Hirshfield would use the proceeds from the motor vehicle loans to pay interest to the Note investors.
58. Instead, Hirshfield used investors' funds to pay interest or principal owed to prior investors.

59. Respondents have raised approximately \$7,600,000 through the sale of Ideal's Notes since 2019.

60. Since 2019, approximately \$7,200,000—95% of the amount raised through the sale of Ideal's Notes—has been used to pay interest or repay principal owed to investors.

61. Hirshfield used the remaining funds not paid to investors to pay for Ideal's business expenses and her own personal expenses.

62. In June 2025 alone, Respondents have received approximately \$33,000 in new money from investors.

63. On information and belief, Respondents last received a new investment on June 11, 2025.

64. In June 2025 alone, Respondents have paid approximately \$42,000 back to investors as interest payments or return of principal.

65. On information and belief, Respondents last paid interest back to investors on June 11, 2025.

66. On information and belief, Respondents owe at least \$6,000,000 to investors in unreturned principal.

67. On information and belief, Respondents owe approximately \$1,000,000 to investors in unpaid interest on outstanding Notes.

68. The Notes bear common characteristics. In exchange for a fixed principal for a set period of time, Ideal agreed to pay interest, either monthly or quarterly, at a specified percentage for the term of the Note until the maturity date.

69. Generally, the Notes permit investors to transfer their Notes only to Massachusetts residents. Each Note contains a provision stating that the Note is transferable if

“accompanied by a duly executed and independently witnessed written instrument of assignment.” The interest and principal are then paid to the transferee of the Note.

70. Since 2019, Ideal has offered Notes with fixed interest rates between 11.5% and 18%. The Notes’ interest rates have generally increased over time as Hirshfield grew more and more desperate to entice investors to provide additional funds, allowing Respondents to prolong their scheme.

71. Previously, Ideal’s Notes contained significantly lower interest rates. For example, in 2004, Ideal offered two-year Notes with a 4.5% interest rate.

72. Upon the maturity date of the Notes, investors had the option to either receive their principal investment from Ideal or roll the principal investment into a new Note with a new maturity date.

73. Many investors chose to roll their principal investment into a new Note due to Ideal’s history of timely interest payments, attractive interest rates, and expectation of additional profits on their Notes.

74. Prior to 2025, the Notes included a stamped signature for Hirshfield’s sister as President and Treasurer of Ideal, with Hirshfield countersigning.

75. Beginning no later than January 2025, Hirshfield became the sole signatory of the Notes, as Ideal’s President and Treasurer.

76. On information and belief, Hirshfield has been the sole manager of Ideal since 2015.

77. Respondents conducted the offerings of Ideal’s Notes within Massachusetts. Respondents sold Ideal’s Notes to numerous Massachusetts residents, primarily in and around Springfield, Massachusetts.

C. Respondents used predatory marketing tactics to sell Ideal's Notes to continue their fraudulent activity.

1. Respondents relied on referrals from trusted family members to solicit new investors.

78. Most investors in Ideal and their immediate family members reside in or around Springfield, Massachusetts.

79. Many current investors learned about Ideal and its Notes through their parents, who invested with Ideal in the 1980s, shortly after Hirshfield reincorporated the business.

80. Some current investors' dealings with Ideal go back even further because they inherited Notes from their relatives, who invested in Ideal in the years following its incorporation.

81. In many cases, these investors have purchased additional Notes from Ideal due to the income generated by the Notes over the last approximately forty years.

82. Other investors invested with Ideal on the recommendation of their family members.

83. Respondents had an informal policy of only accepting new money from immediate family members of existing investors.

84. This policy became more relaxed starting around October 2024, when Respondents began to struggle to make interest payments owed to investors.

85. Respondents relied upon Ideal's historic business reputation, as well as the trust that investors had in their familial relationships, to solicit new investments.

2. Respondents used high-pressure sales tactics to induce investors to invest money quickly to continue their ongoing fraud.

86. Since at least January 2022, Respondents have engaged in high-pressure sales tactics, requiring investors to purchase new Notes by specified dates in order to receive a higher interest rate or a discount on the purchase price.

87. For example, on April 8, 2025, Ideal's Office Manager, at Hirshfield's direction, sent an e-mail to investors with the subject "REMINDER—APRIL MONTHLY PAYMENTS" (the "April 8 E-mail").

88. The April 8 E-mail specified the dates when Ideal would pay past due interest payments by check and direct deposit.

89. Additionally, the April 8 E-mail contained an offer to purchase new Notes. Respondents offered a total of ten \$7,500 Notes with 16.5% interest rates.

90. Respondents only gave investors until April 12, 2025 to purchase the Notes offered in the April 8 E-mail.

91. Respondents limited the Note offer contained in the April 8 E-mail by both quantity and time to pressure investors to send money quickly to Ideal.

92. Hirshfield knew that the only source of funds available to make past due interest payments to investors would be new Note purchases.

93. Hirshfield knew that Ideal had no revenue from motor vehicle loan financing in April 2025.

94. Hirshfield knew that Ideal was not licensed to provide motor vehicle loan financing in April 2025.

95. Hirshfield did not disclose to investors that Ideal had not been licensed to provide motor vehicle loan financing since 2014.

96. Hirshfield knew that if Ideal did not receive new Note purchases of more than the amount of past due interest payments, Ideal would be unable to pay interest payments as promised in the April 8 E-mail.
97. Hirshfield knew that all funds raised from the sale of new Notes following the April 8 E-mail would be used to make payments to previous investors, whether those payments were past due, or coming due in the future.
98. Hirshfield did not disclose to investors that their funds would not be used to fund a legitimate business.
99. Instead, Hirshfield used investor funds to make payments owed to previous investors, perpetuating Respondents' Ponzi scheme.
100. On June 9, 2025, Ideal's Office Manager, at Hirshfield's direction, sent another e-mail to investors with the subject "17% IDEAL OFFER" (the "June 9 Offer").
101. The June 9 Offer included both an increased interest rate, and a discount on the face value of the Note, but only if investors provided new funds by June 20, 2025.
102. Ideal's Office Manager, at Hirshfield's direction, sent a follow-up e-mail on June 10, 2025, with the subject "IDEAL HIGH RATE OFFER" (the "June 10 E-Mail").
103. The June 10 E-Mail included a QR code for Hirshfield's personal Venmo account, inviting investors to send new funds to Hirshfield personally.
104. The June 10 E-Mail was otherwise substantially similar to the June 9 Offer.
105. On June 10, 2025, the Ideal Checking Account had a balance of -\$6,814.51.
106. On June 10, 2025, the Ideal Savings Account had a balance of -\$215.53.
107. Prior to this point, substantially all of the interest payments to investors had come from the Ideal Checking Account.

D. Investors

1. Investors 1, 2, 3, and 4

108. Investors 1, 2, 3, and 4 are a family living in Massachusetts.

109. Investors 1 and 2 are a married couple and residents of Palmer, Massachusetts. Investor 1 is retired.

110. Investor 3 is a resident of Somerville, Massachusetts, and is the adult daughter of Investors 1 and 2.

111. Investor 4 is a resident of Ludlow, Massachusetts, and is Investor 1's mother.

112. Investor 1 manages money on behalf of himself and Investors 2, 3, and 4.

113. Investor 4 first invested with Ideal in 2015.

114. Investors 1 and 2 first invested with Ideal in 2018.

115. Investor 3 first invested with Ideal in 2022.

116. At the time of investment, Investor 1 believed that Ideal was a legitimate motor vehicle lending business that loaned money to individuals with poor credit.

117. Respondents began to miss interest payments to Investors 1, 2, 3, and 4 beginning in late 2024. Ideal missed one month's payment to Investors 1 and 2, two months' payments to Investor 4, and three months' payments to Investor 3.

118. According to Investor 1, Respondents took two additional months to make up the six missing payments. Respondents were then current on their obligations to Investors 1, 2, 3, and 4 through February 2025.

119. However, in March and April 2025, Respondents again missed interest payments to Investors 1, 2, 3, and 4.

120. Hirshfield met with Investor 1 in March 2025 to discuss Investor 1's concerns over delayed payments.

121. On May 12, 2025, Hirshfield promised to repay the missing interest payments for March and April 2025.

122. On May 24, 2025, Hirshfield again promised to repay the March and April 2025 interest payments. This time, however, Hirshfield only promised to repay \$2,000 up front, with a promise to pay the remaining amount at a later date.

123. After additional communications, on May 29, 2025, Investor 1 informed Hirshfield that Investor 1 wanted to cash out of all of the family's Notes with Ideal.

124. On June 7, 2025, Hirshfield agreed to a payment schedule that would pay Investors 1, 2, 3, and 4 the full value of the Notes, plus accrued interest, over the course of the next 90 days.

125. Hirshfield did not disclose that Respondents would only be able to make these payments if they received sufficient new Note purchases following the June 9 Offer and June 10 E-mail.

126. On June 9, 2025, Hirshfield gave Investor 1 six checks to compensate Investor 1 for the missed interest payments to Investors 1, 2, 3, and 4 in early 2025, which Investor 1 attempted to deposit into his family's respective bank accounts the following day.

127. On June 12, 2025, five of the six checks were returned marked as "not sufficient funds."

128. Respondents subsequently missed the first payment deadline of the payment schedule.

129. In total, Investors 1, 2, 3, and 4 have collectively invested over \$426,000 in Ideal's Notes since 2019.

130. Investors 1, 2, 3, and 4 have collectively received approximately \$250,000 in interest payments since 2019.

131. Respondents have not made the interest payments to Investors 1, 2, 3, and 4 required by the terms of their Notes, and have not returned principal upon the Note's maturity.

132. Respondents have deprived Investors 1 and 2 of an expected source of income during retirement. Respondents have also deprived Investor 3 of a supplementary source of income to help pay for Investor 3's unexpected expenses.

2. Investors 5, 6, and 7

133. Investors 5 and 6 are a married couple and residents of Westfield, Massachusetts.

134. Investor 7 is a resident of Wilbraham, Massachusetts, and is Investor 5's brother.

135. Investors 5 and 6 first invested with Ideal in June 2023 using funds left to them by Investor 6's recently deceased mother.

136. Investor 6's mother had invested with Ideal for over 20 years before her death, and spoke highly of Ideal's business success and reputation in the Springfield area.

137. Investor 7 first invested with Ideal in May 2024 on the recommendation of Investors 5 and 6.

138. Since June 2023, Investors 5 and 6 have invested approximately \$80,000 in Ideal's Notes.

139. Since May 2024, Investor 7 has invested approximately \$60,000 in Ideal's Notes.

140. To date, Respondents have paid Investors 5 and 6 approximately \$15,000 in interest and principal on the Notes.

141. Respondents have not made the interest payments to Investors 5 and 6 required by the terms of their Notes, and have not returned principal at the Note's maturity.

142. To date, Respondents have paid Investor 7 approximately \$2,300 in interest and principal on the Notes.

143. Respondents have not made interest payments to Investor 7 required by the terms of their Notes, and have not returned principal upon the Note's maturity.

3. Investors 8 and 9

144. Investor 8 was originally a resident of Holyoke, Massachusetts before moving to Florida. Investor 8 passed away in 2022.

145. Investor 9 is a resident of Springfield, Massachusetts, and is Investor 8's son.

146. Investor 9 first invested with Ideal in November 2020.

147. Investor 9 inherited Investor 8's Notes with Ideal upon Investor 8's passing.

148. Investor 9 continued to invest his own funds with Ideal after his father's passing.

149. Investors 8 and 9 collectively invested over \$300,000 in Ideal's Notes since 2019.

150. After May 5, 2025, Investor 9 added an additional \$5,050 to his Notes with Ideal exclusively by transferring his funds to Hirshfield's personal Venmo account.

151. Since 2019, Respondents have paid Investors 8 and 9 approximately \$105,000 in interest and principal on the Notes.

152. Respondents have not made the interest payments to Investors 8 and 9 required by the terms of their Notes, and have not returned principal upon the Note's maturity.

153. Family members of Investors 8 and 9 have invested more than \$220,000 in Ideal's Notes since 2019.

154. Since 2019, Respondents have paid those family members approximately \$124,000 in interest and principal on the Notes.

155. Respondents have not made the interest payments to Investor 8 and 9's family members required by the terms of their Notes, and have not returned principal upon the Note's maturity.

4. Numerous investors purchased Ideal Notes to ensure a stable financial future for their children.

156. Respondents often marketed the Notes as gifts for family members or special occasions.

157. Respondents sent multiple e-mails inviting investors to purchase Notes as gifts graduation or birthday gifts for their children or grandchildren.

158. On April 13, 2025, Ideal's Office Manager, at Hirshfield's direction, sent an e-mail with the subject "MONTHLY DIRECT DEPOSITS----AVAILABLE OFFERS" (the "April 13 Offer").

159. The April 13 Offer contained three new Note options for investors to purchase: a \$5,500 Note with an interest rate of 16.5%, a \$3,500 Note with an interest rate of 16.5%, and a \$1,000 Note with an interest rate of 16%.

160. Respondents state the Notes available through the April 13 Offer "can be graduation gifts, birthday, or any occasion."

161. On May 8, 2025, Ideal's Office Manager, at Hirshfield's direction, sent an e-mail with the subject "\$1,000 GIFT NOTE" (the "May 8 Offer").

162. The May 8 Offer invited investors to purchase a one-year, \$1,000 Note with an interest rate of 16.25% as a gift for a family member.

163. The May 8 Offer provided the prospective purchaser with sample text that would be sent to the Note recipient. The sample text informed the recipient that their "grandparents, (mother, father, friend, sister, brother, etc.) have purchased a new \$1,000.

gift Note, from IDEAL FINANCIAL SERVICES for you (or special occasion, i.e. graduation).”

164. Respondents sent offers in advance of annual holidays with themed messaging to invite investors to purchase Notes as holiday gifts.

165. For example, in November 2024, Ideal offered \$500 Notes as “a holiday gift for a family Member” (the “November 2024 Offer”).

166. The November 2024 Offer contained an image of a person holding a small Christmas gift.

167. Consequently, numerous investors purchased Ideal’s Notes for the benefit of their children.

168. Over a dozen investors wrote their children’s names in the memo lines of checks, and several other investors purchased Notes on their children’s behalf.

169. Investors also accounted for the interest payments from Ideal’s Notes when planning for their children’s education.

E. Respondents led investors to believe that Ideal was a legitimate investment opportunity, not a Ponzi scheme.

170. Respondents led investors to believe they were making a safe, profitable investment on behalf of their relatives in a legitimate business operating legally within Massachusetts.

171. However, Ideal was not a legitimate business. Hirshfield, as the sole signatory of Ideal’s bank accounts, knew that Ideal had negligible legitimate revenue, knew Ideal was not loaning investor funds to individuals or dealerships for motor vehicle purchases, knew Ideal was not receiving financing payments from individuals or dealerships, and knew Ideal was operating as a Ponzi scheme.

172. Respondents failed to disclose this material information to investors in Ideal's and Ideal Holdings' Notes.

173. When Hirshfield appeared before the Division for on-the-record testimony, she invoked her rights under the Fifth Amendment to the United States Constitution and Article 12 of the Massachusetts Declaration of Rights, refusing to answer the Division's questions.

174. Hirshfield, by operating Ideal as a Ponzi scheme, has defrauded not only at least 180 investors, most of whom reside in Western Massachusetts, she has harmed those who depend on them for financial support.

175. Respondents' fraudulent business operations have deprived families of retirement funds, funds for unexpected expenses, and of financial security as they prepare to send their children and grandchildren off to college.

176. Hirshfield's actions have devastated the friends and families she and Ideal preyed upon for over a decade, robbing one investor to pay another until new investors stopped appearing.

VII. VIOLATIONS OF LAW

Count I - Violations of M.G.L. c. 110A, § 101

177. Section 101 of the Act provides:

It is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly

(1) to employ any device, scheme, or artifice to defraud,

(2) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or

(3) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

M.G.L. c. 110A, § 101

178. The Division restates and incorporates the factual allegations set forth in Sections IV through VI above.

179. Respondents' acts and practices, as described above, constitute violations of M.G.L. c. 110A, § 101.

Count II – Violations of M.G.L. c. 110A, § 201

180. Section 201 of the Act provides in relevant part:

(a) It is unlawful for any person to transact business in this commonwealth as a broker-dealer or agent unless he is registered under this chapter.

(b) It is unlawful for any broker-dealer or issuer to employ an agent unless the agent is registered. The registration of an agent is not effective during any period when he is not associated with a particular broker-dealer registered under this chapter or a particular issuer. When an agent begins or terminates a connection with a broker-dealer or issuer, or begins or terminates those activities which make him an agent, the agent as well as the broker-dealer or issuer shall promptly notify the secretary.

M.G.L. c. 110A, § 201.

181. The Division restates and incorporates the factual allegations set forth in Sections IV through VI above.

182. Respondents' acts and practices, as described above, constitute violations of M.G.L. c. 110A, § 201.

Count III – Violations of M.G.L. c. 110A, § 301

183. Section 301 of the Act provides:

It is unlawful for any person to offer or sell any security in the commonwealth unless:--

(1) the security is registered under this chapter;

(2) the security or transaction is exempted under section 402; or

(3) the security is a federal covered security.

M.G.L. c. 110A, § 301.

184. The Division restates and incorporates the factual allegations set forth in Sections IV through VI above.

185. Respondents' acts and practices, as described above, constitute violations of M.G.L. c. 110A, § 301.

VIII. STATUTORY BASIS FOR RELIEF

Section 407A of the Act provides, in pertinent part:

(a) If the secretary determines, after notice and opportunity for hearing, that any person has engaged in or is about to engage in any act or practice constituting a violation of any provision of this chapter or any rule or order issued thereunder, he may order such person to cease and desist from such unlawful act or practice and may take such affirmative action, including the imposition of an administrative fine, the issuance of an order for an accounting, disgorgement or rescission or any other such relief as in his judgment may be necessary to carry out the purposes of [the Act].

M.G.L. c. 110A, § 407A.

IX. PUBLIC INTEREST

For any and all of the reasons set forth above, the Division asserts that this “action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of [the Act].”

X. RELIEF REQUESTED

The Division requests that an order be entered:

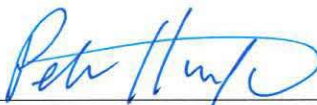
- A. Finding as fact all allegations set forth in Sections IV through VI of the Complaint;
- B. Concluding that Respondents violated the Act and the Regulations as alleged in Section VII of this Complaint;
- C. Finding that all of the sanctions and remedies detailed herein are necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act;
- D. Requiring Respondents to permanently cease and desist from further acts and practices in violation of the Act and Regulations;
- E. Imposing administrative fines on Respondents in such amount and upon such terms and conditions as the Director or Presiding Officer may determine;
- F. Requiring Respondents to provide a verified accounting of all proceeds that were received as a result of the wrongdoing;
- G. Requiring Respondents to disgorge all ill-gotten gains in connection with the wrongdoing;
- H. Requiring Respondents to make rescission offers, including interest, to all investors in connection with the wrongdoing;
- I. Censuring Respondent(s);
- J. Permanently barring Respondents from registering in Massachusetts as, associating or affiliating with, or acting as a(n) broker-dealer, broker-dealer agent, investment adviser, investment adviser representative, Securities and Exchange Commission-registered investment adviser, an investment adviser exempted from registration, a

person relying on an exclusion from the definition of investment adviser or broker-dealer in any capacity, issuer, issuer-agent, or as a partner, officer, director, or control person of any of the foregoing;

- K. Permanently barring Respondents from offering or selling securities from or within Massachusetts, and to persons or entities in Massachusetts; and
- L. Taking any such further actions that may be necessary or appropriate in the public interest or for the protection of investors.

MASSACHUSETTS SECURITIES DIVISION

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