

ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND

IN THE MATTER OF: *
100 Miles, LLC *
and * Securities Division No. 2010-0174
John A. Fultz II *
RESPONDENTS. *

* * * * *

**FINAL ORDER TO CEASE AND DESIST AND
ORDER OF BAR**

WHEREAS, the Securities Division of the Office of the Maryland Attorney General (the “Division”), pursuant to the authority granted in section 11-701 of the Maryland Securities Act, Title 11, Corporations and Associations Article, Annotated Code of Maryland (2007 Repl. Vol. and Supp. 2009) (the "Securities Act"), undertook an investigation into the securities-related activities of 100 Miles, LLC (“100 Miles” or “Respondent 100 Miles”) and John A. Fultz II (“Fultz” or “Respondent Fultz”) (collectively, “Respondents”); and

WHEREAS, on the basis of that investigation the Maryland Securities Commissioner (the “Commissioner”), on June 14, 2010, issued a Summary Order to Cease and Desist and Order to Show Cause (the “Order”), which is incorporated by reference, ordering Respondents to show cause why a final order should not be issued, ordering Respondents to cease and desist from further violations of the Securities Act, assessing Respondents the statutory penalty of up to \$5,000 per violation of the Securities Act, permanently barring Respondents from engaging in the securities and investment advisory business in Maryland, and imposing against Respondents any other sanction or combination of sanctions as permitted under section 11-701.1 of the Securities Act; and

WHEREAS, the Order provided that the failure to file an answer or a request for a hearing within fifteen (15) days of service of the Order would result in the entry of a Final Order imposing on Respondents a monetary penalty of up to \$5,000 per violation of the Securities Act; and permanently barring Respondents from engaging in the securities business in Maryland; and

WHEREAS, the Order further provided that the failure to request a hearing in writing would be deemed a waiver by Respondents of the right to a hearing; and

WHEREAS, Respondents failed to file an answer to the Order to Show Cause and failed to make a request for a hearing; and

WHEREAS, the Commissioner has determined that it is in the public interest to issue this Consent Order;

NOW, THEREFORE, IT IS HEREBY ORDERED:

I. JURISDICTION

1. The Commissioner has jurisdiction in this proceeding pursuant to section 11-701.1 of the Securities Act.

II. RESPONDENTS

2. John A. Fultz II maintains a place of business in Largo, MD. Fultz is the owner of 100 Miles, LLC. Fultz is licensed as an insurance producer with the State of Maryland.

3. 100 Miles, LLC is a Maryland limited liability company and maintains a place of business in Largo, MD.

III. FINDINGS OF FACT

4. 100 Miles holds out, on its website, as providing consultation services to clients “in need of business consulting, real estate guidance, insurance products, investment growth strategies as well as wealth preservation.”

5. One of the services offered by 100 Miles is what it labels as “real estate consulting/ financing” service. 100 Miles describes this service as providing assistance to “clients in obtaining private financing or ‘hard money’ from private individual[s] as well as institutional investors.” 100 Miles further describes the service as offering “investment products [that] do not follow the same stringent guidelines as conventional investment products” and that allow “savvy investors to leverage factors other than credit to get deals done.”

6. 100 Miles also offers through its website what it labels as “alternative investment products.” 100 Miles describes this line of business as a “separate niche service” that it provides to its “discerning clientele that need alternative investment products to the same old stocks, bond, and reits.” According to its website, 100 Miles has partnered with “specialized hybrid equity/hedge funds that maximize growth opportunity.” 100 Miles discloses that the alternative investment products are investments and, therefore, “nothing is construed to be a guarantee.”

7. One equity or hedge fund with whom 100 Miles “partnered” is Haye Capital Group, LLC (“HCG”). HCG operated a private investment fund that offered investors the opportunity to purchase limited partnership interests in the fund which purportedly invested in real estate, stocks, bonds, futures, and other investments.

8. The investment opportunities offered by HCG are securities under the Securities Act but were never properly registered with the Securities Division. HCG is not now, nor has it ever been, registered to offer or sell securities.

9. 100 Miles and Fultz solicited and recommended investors to invest with HCG.

10. 100 Miles and Fultz were compensated by HCG for soliciting on behalf of HCG.

11. Neither 100 Miles nor Fultz is, or has ever been, registered to offer or sale securities.

12. Neither 100 Miles nor Fultz told investors that they were not properly registered to offer and sell securities or provide advice with respect to investing in the investments offered by HCG.

13. Neither 100 Miles nor Fultz told investors that the investments offered by HCG were not properly registered.

14. Neither 100 Miles nor Fultz disclosed the risks associated with investing in the investment opportunities offered by HCG.

IV. CONCLUSIONS OF LAW

The Commissioner concludes that:

15. Respondents 100 Miles and Fultz violated section 11-301 of the Securities Act by failing to tell investors, among other things, that Respondents were not registered to offer and sell securities, that the investments for which investors' funds were solicited were not properly registered, and the specific risks associated with the investments.

16. Respondents 100 Miles and Fultz violated sections 11-302(a) and (c) of the Securities Act by failing to tell investors, among other things, that Respondents were not registered to offer and sell securities or to provide advice with respect to the securities, that the investments for which investors' funds were solicited were not properly registered, and the specific risks associated with the investments.

17. Respondents 100 Miles and Fultz violated section 11-401 of the Securities Act by acting as an unregistered broker-dealer, agent, investment adviser and/or investment adviser representative.

18. Respondent 100 Miles violated section 11-402 of the Securities Act by employing or associating with an unregistered agent and/or investment adviser representative, in violation of section 11-402 of the Securities Act.

V. SANCTIONS

NOW THEREFORE, IT IS HEREBY ORDERED that:

19. Respondents 100 Miles, LLC and Fultz shall permanently cease and desist from violating sections 11-301, 11-302(a) and (c), 11-401, and 11-402 of the Securities Act.

20. Respondents 100 Miles, LLC and Fultz are barred from engaging in the securities or investment advisory business in Maryland for or on behalf of others, or from acting as a principal or consultant in any entity so engaged.

21. Respondents 100 Miles, LLC and Fultz, jointly and severally, are assessed a civil monetary penalty pursuant to section 11-702 of the Act in the amount of \$20,000 for the violations set forth in this Order. Said penalty shall be paid within 90 days of the date of this Order. Payment shall be by certified check payable to the Office of the Attorney General.

22. Respondents 100 Miles, LLC and Fultz shall comply fully with the Securities Act and the regulations promulgated thereunder.

VI. JURISDICTION RETAINED

23. Jurisdiction shall be retained by the Commissioner for such further orders and directions as may be necessary or appropriate for the construction or enforcement of this Consent Order.

VII. APPEAL RIGHTS

24. Any Respondent may appeal this Final Order to the appropriate Circuit Court of the State of Maryland within 30 days from the date this Final Order is mailed by the Securities Division.

SO ORDERED:

**Commissioner's Signature is
on File with Original Document**

Melanie Senter Lubin
Securities Commissioner

Date: July 12, 2010