

STATE OF MARYLAND

EXECUTIVE DEPARTMENT

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SUSAN C. LEE
SECRETARY OF STATE

VIA CERTIFIED MAIL AND REGULAR U.S. MAIL

May 15, 2025

DMV Futures, Inc.
145 W. Ostend Street
Baltimore, MD 21230

Marcus Smith

DMV Futures, Inc.
c/o Nathan Jackson

CEASE AND DESIST ORDER

Dear Mr. Smith,

Pursuant to the authority of Business Regulation Article, Section 6-205 of the Annotated Code of Maryland, the Office of the Secretary of State conducted an investigation of you and DMV Futures, Inc. (hereinafter "DMV Futures"). I have determined that you have violated the Maryland Solicitations Act, Business Regulation Article, Title 6, Annotated Code of Maryland (herein, "the Act") and the Code of Maryland Regulations as both a charitable organization and charitable representative by unlawfully soliciting and collecting charitable contributions as demonstrated by the following acts and practices, and that you must immediately cease and desist from any further charitable solicitations and further violations of the Act:

1. Beginning on or around December 16, 2022, and continuing to the present, you used false or materially misleading advertising or promotional material in connection with charitable solicitations in violation of Section 6-607 of the Act, by promoting on DMV Futures' Facebook

page pictures of teenagers engaged in recreational activities or holding checks implying they were awarded a grant or scholarship by DMV Futures well before the incorporation of DMV Futures in December 2022. These events advertised on DMV Futures' Facebook page do not appear to have been hosted or organized by DMV Futures, but instead appear to have been organized by a prior organization, Maryland Youth Club of America, Inc.:

- i. A trip to Six Flags pictured on your Facebook page from July 17, 2022;
- ii. The picture of a child holding a cellphone on your Facebook page and captioned: "Great job reaching your goals and winning a brand new iPhone...!" from July 30, 2022;
- iii. The picture of a child holding a cellphone on your Facebook page and captioned: "Congratulations...!! Amazing dedication and perseverance. The Futures continues to reward leadership one teen at a time" from July 16, 2022;
- iv. The picture of a child holding a cellphone on your Facebook page and captioned: "Grateful to be back in season. Our teens are already earning prizes. Congratulations! Like and follow our page for more details" from May 15, 2022;
- v. A picture of two children holding \$500 checks dated August 27, 2022; and
- vi. Pictures of children holding games and toys on your Facebook page and captioned: "Congratulations to our October prize winners. You were made to be awesome!" from November 1, 2020.

2. Beginning on or around December 16, 2022, and continuing to the present, you committed an act or engaged in a practice that by affirmative misrepresentation, or by omission, was misleading about a matter important to, or likely to affect, a person's decision to make a charitable contribution, in violation of Section 6-608 of the Act as follows:

a. **Nature and Scale of Charitable Programming:** DMV Futures' website indicated that DMV Futures had "comprehensive youth programs" and that "DMV Futures [was] a part of a vibrant neighborhood with access to a range of social events, fun youth activities, and services that [would] help keep youngsters in the DMV area on the right track." Charitable solicitation scripts the children used represented to donors that DMV Futures was a "work-educational and recreational after school program for teenagers." The investigation revealed, however, that DMV Futures did not have work-educational programming or comprehensive youth programs or services, and that children involved with DMV Futures engaged in

door-to-door solicitation of charitable contributions and sale of candy.

b. Financial and Other Benefits Provided to the Children: DMV Futures’

charitable solicitations claimed to be raising money for provision of “part-time jobs as well as opportunities for our club members to go on fully paid activities such as museums, amusement parks, movies, picnics, sporting events and so much more” and that DMV Futures sponsored sports teams and gave annual scholarship awards to ‘high achieving members.’ Charitable solicitation scripts the children used represented to donors that the children earned money and enjoyed many fun trips and activities. However, DMV Futures did not account for any financial benefits to the children in its 2023 or 2024 budget, and reported little to no expenses on recreational activities, but for an occasional expense at Six Flags amusement park. For example, for a 17-month period between February 2023 and June 2024, bank account records produced by DMV Futures indicated four possible trips to Six Flags amusement parks and no other expenses directly benefiting children, including scholarship awards, sports team sponsorships, sporting events, or movies, as advertised to donors.

3. You applied charitable contributions in a way that was substantially inconsistent with DMV Futures’ charitable solicitations by representing that charitable contributions would go towards work-educational programs or comprehensive youth programming, while, upon information and belief, a large portion of the contributions maintained in DMV Futures’ bank account appeared to have been spent on personal expenses in violation of Section 6-606 of the Act. The investigation revealed that between February 2023 and June 2024, DMV Futures’ bank transactions showed four possible Six Flags trips, as the only charges appearing to be recreational or otherwise activities directly benefiting children, totaling \$643.95. For the same period, DMV Futures spent \$4,968.33 on expenses unrelated to DMV Futures’ purported charitable mission including personal expenditure such as stays at Hilton and Hampton Inns in

New York and restaurant charges such as Yard House and fast-food chains and incurred a total of 19 overdraft charges totaling \$684.00.

4. Beginning on or around December 16, 2022, you commingled charitable contributions without proper accounting controls or board oversight through transfers of charitable contributions from DMV Futures' Venmo account, where a large portion of the charitable contributions are received and held, into your personal accounts in violation of COMAR 01.02.04.02(B)(3), as follows:

- a. In 2023, DMV Futures' Venmo account received \$43,810 in charitable contributions. Of that amount, \$42,412 was transferred to your personal accounts.
- b. In 2024, DMV Futures' Venmo account received \$16,746 in charitable contributions through September 2024. Of that amount, \$15,844.44 was transferred to your personal accounts.

5. Beginning on November 15, 2024, and continuing to present, DMV Futures was in violation of the Act's annual filing requirements found in Sections 6-407, 6-408, and 6-409 of the Act as follows: on or about February 24, 2023, you registered DMV Futures as a charitable organization with the Maryland Office of the Secretary of State, registration # 50384. You were required to pay annual fees and file an annual report on behalf of DMV Futures pursuant to Sections 6-407, 6-408, and 6-409 of the Act. Despite having received multiple notices from the Office of the Secretary of State regarding annual filing obligations and having raised over \$60,000 in charitable contributions in 2023, you and DMV Futures failed to file an annual report in violation of Sections 6-407, 6-408, and 6-409 of the Act, causing the registration status to be non-compliant with the Maryland Office of the Secretary of State as of November 15, 2024.

6. Beginning on or around December 16, 2022, and continuing to the present, DMV Futures failed to include required Disclosure Statements as defined by Section 6-101(g) of the Act in written charitable solicitations directed to the public in violation of Section 6-411 of the

Act. The required Disclosure Statements did not appear on the “donate” page or any other part of DMV Futures’ website or social media, where DMV Futures solicited the public for charitable contributions, either.

Having found the above violations, and further finding that the public’s health, safety, and welfare require immediate action, I hereby issue the following order, effective immediately:

DMV Futures, Inc., Marcus Smith, Nathan Jackson, and all of DMV Futures, Inc.’s officers, directors, agents, representatives, and employees, shall immediately cease and desist all of the above acts and practices. Further, DMV Futures, Inc., its officers, directors, agents, representatives, and employees shall immediately cease and desist all solicitation in or from the State of Maryland, which expressly includes solicitation by using any means whatsoever, including all door-to-door solicitation, social media accounts, websites, emails, social, recreational, or other fundraising events.

You are hereby advised that you have the right to request a hearing concerning this Cease and Desist Order within 30 days of the date of this Cease and Desist Order, on or before June 14, 2025 represented by counsel during the entire process, and you may present documents and witnesses at the hearing.

Your request for a hearing should be in writing and directed to Michael Lore, Deputy Secretary of State, Office of the Secretary of State, 16 Francis Street, Annapolis, Maryland 21401.

The Office of the Attorney General represents the Office of the Secretary of State in this matter. Please be advised that this Office reserves the right under Business Regulation Article, Section 6-205(g), Annotated Code of Maryland to refer this matter to the Attorney General for civil enforcement and to the State’s Attorney for criminal prosecution.

SIGNED:


Susan C. Lee
Secretary of State

5-15-2025
Date

cc: Javaneh Pourkarim, Assistant Attorney General, Office of the Attorney General