

ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND

IN THE MATTER OF:

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SOLID AD SOLUTIONS, LLC,

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and

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Case No. 2010-0376

CHRISTOPHER LEWALLEN,

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Respondents.

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CONSENT ORDER

WHEREAS, the Securities Division of the Office of the Maryland Attorney General (the “Securities Division”), initiated an investigation into the activities of Solid Ad Solutions, LLC and Christopher Lewallen (collectively “Respondents”) under the authority granted under the Maryland Business Opportunities Sales Act, MD. CODE ANN. BUS. REG. § 14-101 et seq. (2010 Repl. Vol.) (the “Maryland Business Opportunity Act”); and

WHEREAS, as a result of that investigation, on November 15, 2010, the Maryland Securities Commissioner (the “Commissioner”) issued a Summary Order to Cease and Desist and Order to Show Cause against Respondents, alleging that Respondents violated the registration, disclosure and antifraud provisions of the Maryland Business Opportunity Act; and

WHEREAS, before the holding of a hearing in this matter, the Commissioner and Respondents have reached an agreement in this matter whereby Respondents, without trial or final adjudication of any issue of fact or law, and without Respondents admitting or denying any findings of fact or conclusion of law, except to admit to the jurisdiction of the Commissioner in this matter, consent to the terms of this Consent Order;

NOW, THEREFORE, IT IS HEREBY ORDERED AND DECREED:

I. JURISDICTION

1. The Commissioner has jurisdiction in this proceeding pursuant to § 14-110(a) of the Maryland Business Opportunity Act.

II. FINDINGS OF FACT

A. Respondents

2. Solid Ad Solutions, LLC (“SAS”) is an Arizona limited liability company with a principal business address of 14850 N Cave Creek #2, Phoenix, AZ 85032.

3. SAS offers and sells Internet marketing, services, and related materials that SAS represents will allow buyers to operate a business earning commissions from the sale of products and services through an Internet website.

4. Christopher Lewallen (“Lewallen”) is the owner of SAS.

B. Nature of the Respondents’ Business

5. SAS represents itself as an Internet marketing business opportunity. On its Internet website SAS describes itself as follows:

SolidAdSolutions creates an eCommerce-enabled website in the most professional and customized design for you. Let us handle all of the technically advanced work. We will build your personalized web-site. We will provide you access to our established network of businesses. We will give you the knowledge to become an online entrepreneur. You simply collect the commissions for each and every sale!

6. The SAS website further represents that it will provide “Everything you need to be successful. A professional storefront design. Reliable and secure. The support and guidance you need.” The website also states “You sit back and collect the commissions on each sale from each and every partnered store we supply you with!”

7. SAS solicits individuals to invest in its business opportunity through telemarketers that contact individuals at home.

C. The Sale in Maryland

8. In May or June 2009, Barbara Yeakle (“Yeakle”), a resident of Bel Air, Maryland, was contacted by telephone at her home by an individual who identified himself as Paul Young from SAS.

9. Young made several calls to Yeakle’s home in June 2009 to convince her to invest in SAS’s business opportunity. He told Yeakle that SAS’s business opportunity was “guaranteed to make her money.”

10. Young explained to Yeakle that Solid Ad Solutions was marketing Internet “web-malls” that would provide her with a continuing income. Young stated that Yeakle could expect to make \$4,000 per week from the SAS business opportunity.

11. Young promised Yeakle that he would personally help her set up her online marketing website, and that SAS would provide her with ongoing consultation and technical services to operate an Internet website advertising goods and services for sale to the public.

12. On June 8, 2009, Yeakle paid \$18,400 to SAS in two separate transactions on two different credit cards for 2 different “custom websites” related to her SAS business opportunity. Yeakle’s agreement with SAS identified what she purchased as: 2 new domain name(s); ads and search services on google “adsense;” website hosting for 12 months; and a 2,000,000 targeted visitor marketing campaign.

13. Yeakle received a letter dated June 30, 2009 from SAS advising her that she was the “proud owner” of her own personal website; that the company was delighted to provide her

with its own consulting services, along with directed visitors (2,000,000) to her websites.

14. After paying \$18,400 to SAS in June 2009, Yeakle received a telephone call from an individual who told her he was calling to set up her websites. The individual advised Yeakle that she needed additional services in order to set up her website and generate earnings. Yeakle agreed to purchase those additional services.

15. On or about July 5, 2009, Yeakle paid an additional \$6,200 for Internet services related to her SAS business opportunity, including a “6,000,000 targeted visitor marketing campaign.” Although Yeakle believed that she was contracting for these services with SAS, in fact, her \$6,200 payment was made to an entity called “Web Add Solutions, LLC.” In addition, Yeakle’s written agreement with Web Add Solutions, LLC was nearly identical to her agreement with SAS.

16. Shortly after paying \$6,200 to Web Add Solutions, LLC, the individual who called Yeakle to set up her website called Yeakle again and advised her that her \$6,200 payment entitled her to services related to only one of her websites, and he advised her to make a second payment for \$6,200 for services for both of Yeakle’s two websites. Yeakle refused.

17. For her investment in her SAS business opportunity, Yeakle obtained two web-mall shopping websites that included links to online shopping sites offering a variety of household products, clothes, and other goods.

18. Yeakle’s websites were disabled in May 2010. When Yeakle contacted SAS to complain, an SAS service representative told her that SAS had moved her two websites from “Google” to “Amazon.” Yeakle reports that she was not able to access her websites after that date.

19. Yeakle has earned nothing from her \$24,600 investment in SAS.

D. Violations of the Maryland Business Opportunity Act

20. Based on the foregoing, Respondents offered and sold in Maryland a “business opportunity” as defined under §14-101 (b) of the Maryland Business Opportunity Act.

21. Respondents have never been registered with the Division to offer or sell SAS business opportunities in Maryland.

22. Respondents did not give Yeakle a copy of a business opportunity disclosure document, as required under the Maryland Business Opportunity Act.

23. Respondents’ sales representative, Paul Young, make earnings representations to Yeakel by telling her that she could expect to earn \$4,000 per month from her SAS business opportunity.

24. Respondents never gave Yeakle any documentation to substantiate the earnings representations that Paul Young made to Yeakle.

25. Respondents misrepresented to Yeakle that she would or could earn money from operating her SAS business opportunity. After spending \$24,600 for two websites and additional marketing services, Yeakle earned nothing from her investment in the SAS business opportunity.

E. Respondents’ Representations

26. Respondents represent to the Division that SAS offered and sold a total of six (6) SAS business opportunities to Maryland buyers, each of whom paid between \$1,200 and \$18,400 to SAS for their SAS business opportunity.

27. Respondents represent that neither SAS nor Lewallen has any ownership interest in Web Add Solutions, LLC or American Web Earnings, LLC.

III. CONCLUSIONS OF LAW

28. By engaging in the above activities, the Commissioner has determined that Respondents violated Sections 14-113, 14-114, 14-120, and 14-122 of the Maryland Business Opportunity Act.

IV. ORDER AND CONSENT

29. THE COMMISSIONER HEREBY ORDERS AND RESPONDENTS REPRESENT AND CONSENT THAT:

- A. Respondents shall permanently cease and desist from the offer and sale of business opportunities in Maryland or to any Maryland residents in violation of the Maryland Business Opportunity Act.
- B. Within ten (10) days of the date of this Consent Order, SAS shall notify in writing each Maryland buyer who purchased an SAS business opportunity, including any Maryland buyers who previously received a partial refund of their purchase price, offering a refund of the entire purchase price that Maryland buyer paid towards their SAS business opportunity. Respondents agree to complete payments to any Maryland buyer who requests a refund within ninety (90) days of receiving such request for a refund.
- C. Respondents shall notify the Division as to each Maryland buyer who requested a refund, the amount SAS refunded to that Maryland buyer, and the date when SAS completed the refund payments.
- D. Respondents acknowledge that this Consent Order is a discloseable order as described under § 14-114(c)(10)(i)(2) of the Maryland Business Opportunity Act.

V. JURISDICTION RETAINED

30. 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 the Consent Order.

VI. CONSEQUENCES OF VIOLATING THIS CONSENT ORDER

31. If any Respondent fails to comply with any term of this Consent Order, the Securities Division may bring administrative or judicial proceedings against that Respondent to enforce this Consent Order or to sanction it for violating an order of the Commissioner, and may take any other action authorized under the Maryland Business Opportunity Act or any other applicable law. In any such proceeding in which, after an opportunity for a hearing, the Commissioner or a court finds that a Respondent has violated this Consent Order, the Statement of Facts and the violations of the Maryland Business Opportunity Act alleged in the Consent Order shall be deemed admitted and may be introduced into evidence against that Respondent.

VII. MODIFICATION OF CONSENT ORDER

32. The terms of this Consent Order may be modified only by a subsequent order issued by the Commissioner.

SO ORDERED:

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

January 31, 2011

MELANIE SENTER LUBIN
SECURITIES COMMISSIONER

BY CONSENT:

Solid Ad Solutions, LLC

/S/
By: Christopher Lewallen, President

/S/
Christopher Lewallen