

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND**

IN THE MATTER OF:	*	
BENJAMIN D. VERNER	*	Securities Docket No. 2025-0304
and	*	
RVOLN, INC.	*	
Respondents	*	
* * * * * * *		* * * * * *

ORDER TO SHOW CAUSE

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, Corporations and Associations Article, Title 11, Annotated Code of Maryland (2014 Repl. Vol. and 2024 Supp.) (the “Act” or “Securities Act”), undertook an investigation into the activities of Benjamin D. Verner (“Verner”) and RVOLN, Inc., (“RVOLN”) (collectively “Respondents”); and

WHEREAS, on the basis of that investigation the Securities Commissioner has determined that Respondents may have violated the registration and antifraud provisions of the Securities Act; and

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

NOW THEREFORE, pursuant to sections 11-301, 11-401, 11-402, 11-501, 11-701.1 and 11-801 of the Act, it is hereby:

ORDERED, that Respondents show cause why they should not be barred permanently from

engaging in the securities and investment advisory business in Maryland for or on behalf of others, or from acting as principal or consultant for any such business, why they should not be ordered to permanently cease and desist from further violations of the Act, why a monetary penalty of \$5,000 per violation should not be entered against Respondents, and why any other sanction or combination of sanctions against Respondents as permitted under section 11-701.1 should not be entered.

The Commissioner alleges the following as a basis for this Order to Show Cause:

I. JURISDICTION

1. The Commissioner has jurisdiction in this proceeding pursuant to section 11-701.1 and 11-801 of the Act.

II. RESPONDENTS

2. Verner resides in Harford County, Maryland. He has never been registered as a broker-dealer, agent, investment adviser or investment adviser representative in the State of Maryland. Verner is the Chief Executive Officer and owner of RVOLN.

3. RVOLN was a Delaware corporation created by Verner on November 20, 2019 and voided by the State of Delaware for failure to pay taxes on March 1, 2022. RVOLN's primary place of business was in Harford County, Maryland. RVOLN was not registered with the Maryland Department of Assessments and Taxation to engage in business in Maryland. RVOLN has never been registered as a broker-dealer or investment adviser in the State of Maryland.

III. STATEMENT OF FACTS

4. RVOLN was in the hunting apparel industry.

5. Verner solicited investors to invest in RVOLN claiming he had experience in the apparel industry.

6. On December 2, 2019, March 5, 2021, and October 22, 2021, investor TL entered into Simple Agreements for Future Equity (“SAFEs”) sold by Respondents for equity in RVOLN. Verner signed the SAFEs as the Chief Executive Officer (“CEO”) of RVOLN.

7. On December 2, 2019, March 5, 2021, and October 22, 2021, investor TL wired \$125,000, \$75,000, and \$50,000 to RVOLN’s PNC bank account, respectively.

8. On October 22, 2021, investor TL invested \$100,000 into a convertible promissory note. The note was for a 12-month term at 8% interest.

9. When Respondents could not pay the amount owed at maturity, the convertible promissory note dated October 22, 2021, was amended on December 1, 2022. The new convertible promissory note had an annual interest rate of 15%, matured on June 30, 2023, and had a transaction fee of \$15,000.

10. Investor TL invested an additional \$30,000 into another convertible promissory note on December 1, 2022. This convertible promissory note included a \$10,000 transaction fee and matured on January 31, 2023. To date, investor TL has not been paid for this convertible promissory note.

11. To date, investor TL invested \$380,000 with Respondents for which he has not been repaid.

12. Investor BS met Respondent Verner through a hunting and fishing group. He claimed to be knowledgeable about the apparel industry.

13. On April 30, 2022, Respondents offered and sold SAFEs to investors BS and HVP, LLC. Investor BS is a member and owner of HVP, LLC. Investors BS and HVP, LLC invested \$25,000 and \$225,000 respectively. Both SAFEs were signed by Respondent Verner as CEO of RVOLN.

14. Respondents made several misrepresentations to investors BS and HVP, LLC including but not limited to:

- a. they would be investing in Critical Mass Brands, LLC and that RVOLN was doing business as Critical Mass Brands, LLC when, in fact, Critical Mass Brands, LLC was a completely distinct entity owned by Respondent Verner;
- b. Respondents gave investors BS and HVP, LLC financials for Critical Mass Brands, LLC claiming that Respondent RVOLN was a dba for Critical Mass Brands, LLC and that a name change would be executed; and
- c. Respondents misrepresented that the SAFEs would be converted to equitable securities through an expected Series A capital raise that never occurred.

15. In approximately August 2022, investors RM and JM, husband and wife, met Respondent Verner as a result of their children being in the same lacrosse league. Respondent Verner claimed to be knowledgeable about the apparel industry.

16. Respondents solicited investors RM and JM to invest in RVOLN.

17. Respondents represented to investors RM and JM that RVOLN owned Critical Mass Brands, LLC and gave the investors financial statements for Critical Mass Brands, LLC, and claimed that they represented RVOLN's financials.

18. Respondents used high pressure sale tactics to convince investors RM and JM to invest in RVOLN by falsely claiming that “a Series A capital raise” would take place during the week of August 15, 2023.

19. On August 12, 2022, Respondents offered and sold a SAFE to investors RM and JM for \$300,000 and a convertible promissory note for \$200,000. Both securities were signed by Respondent Verner as CEO of RVOLN.

20. The convertible promissory note provided for a 10% annual interest rate and a maturity date of August 13, 2023. Respondents never made any payments on the convertible promissory note.

21. On May 20, 2022, Big Ocean Sports, Inc. (“Big Ocean”) entered into a convertible promissory note with Respondent RVOLN for \$100,000. According to the terms of the convertible promissory note, Big Ocean would receive a 10% annual interest rate, and the convertible promissory note was due May 20, 2024. The promissory note was signed by Respondent Verner as CEO of RVOLN.

22. Big Ocean has received no payments on the convertible promissory note.

23. On June 27, 2022, investor BH entered into a convertible promissory note with Respondent RVOLN for \$50,000. According to the terms of the convertible promissory note, investor BH would receive a 10% annual interest rate, and the convertible promissory note was due June 27, 2024. The convertible promissory note was signed by Respondent Verner as CEO of RVOLN.

24. On information and belief, Investor BH has received no payment on the convertible promissory note.

25. Respondents failed to disclose to all investors that beginning in February 2021 they began to make purchases from Alpha Beta Apparel, Inc., which purchases would leave RVOLN with \$165,000 past due debt.

26. Respondents failed to disclose that:

- a. by March 17, 2021, Respondents had past due invoices from Alpha Beta Apparel, Inc.;
- b. on September 2, 2022, Alpha Beta Apparel, Inc. filed suit against Respondents

for past due payments totaling more than \$165,000;

- c. on March 21, 2023, Alpha Beta Apparel, Inc. received a Final Default Judgement against Respondents in the amount of \$176,027.46;
- d. Respondents would transfer at least \$130,581.94 to Outdoor Performance Product, LLC, a company owned and controlled by Verner's wife, Stacey Verner;
- e. Respondents would transfer at least \$90,000 to Critical Mass Brands, LLC a company owned and controlled by Verner;
- f. Respondents would transfer at least \$148,678.01 by cash or checks to Verner personally; and
- g. Respondent Verner would misappropriate investor funds for personal expenses such as travel, meals, and golf.

27. The SAFEs issued after March 1, 2022 fraudulently claimed that Respondent RVOLN was "duly organized, validly existing and in good standing under the laws of the state of Delaware and has all the requisite corporate power and authority to carry on its business as now conducted. [RVOLN] is duly qualified to transact business and it is in good standing in each jurisdiction in which failure to so qualify or to be in good standing would have a material adverse effect on [RVOLN]."

28. The terms of each of the SAFE agreements noted that "the Securities have not been registered, and will not be, registered under the Securities Act or any state securities laws..."

29. Respondents did not disclose that they were not registered as a broker-dealer or agent to offer and sell securities.

30. Respondents did not disclose that no exemption filing had been made for the SAFEs

or convertible promissory notes they were offering and selling.

31. Respondents did not disclose any risks associated with the investment, including the risk that the funds would be misappropriated by Respondents.

COUNT I
(Offer and Sale of Unregistered Securities - section 11-501)

WHEREAS, the investments described herein as offered and sold by Respondents constitute “securities” within the definition contained in section 11-101(s) of the Act; and

WHEREAS, section 11-501 of the Act makes it unlawful for any person to offer or sell a security in this State unless the security is registered, exempt from registration under Subtitle 6 of the Act, or qualifies as a federal covered security; and

WHEREAS, Respondents offered and sold securities as described above; and

WHEREAS, the securities offered and sold by Respondents are not registered with the Division, nor has a claim of exemption from registration or a claim that the securities are federal covered securities been made with respect to the offerings; and

WHEREAS, Respondents have offered and sold securities in violation of the registration requirements of section 11-501 of the Act; and

NOW, THEREFORE, IT IS HEREBY **ORDERED** that each Respondent show cause why a final order should not be issued against them that orders Respondents to permanently cease and desist from further violations of the securities registration provisions of section 11-501 of the Act, assesses Respondents the statutory penalty of \$5,000 per violation of section 11-501 of the Act, permanently bars Respondents from the securities and investment advisory business in Maryland, orders Respondents to permanently cease and desist from further violations of the Act, and orders any other sanction or combination of sanctions against Respondents as permitted under section 11-701.1 of the Act.

COUNT II
(Unregistered Broker-Dealer or Agent - section 11-401(a))
(All Respondents)

WHEREAS, section 11-101(c) of the Act defines “broker-dealer” to mean a person engaged in the business of effecting transactions in securities for the account of others or for his own account; and

WHEREAS, section 11-101(l) of the Act defines “issuer” to mean any person who issues or proposes to issue a security; and

WHEREAS, section 11-101(b) of the Act defines “agent” to mean an individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect the purchase or sale of securities; and

WHEREAS, section 11-401(a) of the Act makes it unlawful for any person to transact business in this State as a broker-dealer or agent unless that person is registered as a broker-dealer or agent; and

WHEREAS, Respondents have transacted business as a broker-dealer or agent in this State by effecting or attempting to effect securities transactions in the investments described above while they were not registered with the Division as a broker-dealer or agent, in violation of section 11-401(a) of the Act; and

NOW, THEREFORE, IT IS HEREBY **ORDERED** that each Respondent show cause why a final order should not be issued against them that orders Respondents to cease and desist from further violations of the registration provisions of section 11-401(a) of the Act, assesses Respondents the statutory penalty of \$5,000 per violation of section 11-401(a) of the Act, permanently bars Respondents from the securities and investment advisory business in Maryland, orders Respondents to permanently cease and desist from further violations of the Act, and orders

any other sanction or combination of sanctions against Respondents as permitted under section 11-701.1 of the Act.

COUNT III
(Employment of Unregistered Agents - section 11-402(a))
(Respondent RVOLN)

WHEREAS, section 11-101(l) of the Act defines “issuer” to mean any person who issues or proposes to issue a security; and

WHEREAS, section 11-101(c) of the Act defines “broker-dealer” to mean a person engaged in the business of effecting transactions in securities for the account of others or for his own account; and

WHEREAS, section 11-101(a) of the Act defines “agent” to mean an individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect the purchase or sale of securities; and

WHEREAS, the investments described above offered and sold by Respondents are securities under section 11-101(s) of the Act; and

WHEREAS, section 11-402(a) of the Act makes it unlawful for any broker-dealer or issuer to employ or associate with an agent unless the agent is registered; and

WHEREAS, Respondent RVOLN employed Respondent Verner as an agent to engage in the offer and sale of securities without Verner being registered in this State as an agent; and

NOW, THEREFORE, IT IS HEREBY **ORDERED** that Respondent RVOLN show cause why a final order should not be issued against it that orders Respondent RVOLN to cease and desist from engaging in activities in further violation of section 11-402 of the Act, assesses Respondent RVOLN the statutory penalty of \$5,000 per violation of section 11-402 of the Act, permanently bars Respondent RVOLN from the securities and investment advisory business in

Maryland, orders Respondent RVOLN to permanently cease and desist from further violations of the Act, and orders any other sanction or combination of sanctions against Respondent RVOLN as permitted under section 11-701.1 of the Act.

COUNT IV

(Fraud in Connection with the Offer or Sale of Securities - section 11-301)

WHEREAS, section 11-301 of the Securities Act makes it unlawful for any person, in connection with the offer, sale or purchase of any security, directly or indirectly to:

- (1) employ any device, scheme or artifice to defraud;
- (2) make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (3) engage in any act, practice or course of business which operates or would operate as a fraud or deceit on any person; and

WHEREAS, Respondents employed a device, scheme or artifice to defraud in connection with the offer, sale or purchase of securities as described above by, among other things, failing to disclose that they would misappropriate investor funds as described above for personal use and to fund other companies owed by Respondent Verner and his wife, misrepresenting Respondents RVOLN's corporate status and financial condition, and offering and selling unregistered, nonexempt securities; and

WHEREAS, Respondents made untrue statements of material fact and omitted to state material facts in connection with the offer, sale or purchase of securities as described by, among other things, failing to disclose that they would misappropriate investor funds for personal use and to fund other companies owed by Respondent Verner and his wife, misrepresenting Respondents RVOLN's corporate status and financial condition, and failing to disclose that they had not made an exemption filing for the securities they were offering and selling; and

WHEREAS, by engaging in the offer and sale of securities as described above Respondents engaged in acts, practices or a course of business that operated as a fraud or deceit on the investors when by failing to disclose that they would misappropriate investor funds for personal use and to fund other companies owed by Respondent Verner and his wife, misrepresenting Respondents RVOLN's corporate status and financial condition, and failing to disclose that they had not made an exemption filing for the securities they were offering and selling; and

NOW, THEREFORE, IT IS HEREBY **ORDERED** that each Respondent show cause why a final order should not be issued against them that orders Respondents to cease and desist from engaging in the offer and sale of securities in violation of the antifraud provisions of section 11-301 of the Securities Act, assesses Respondents the statutory penalty of \$5,000 per violation, permanently bars Respondents from engaging in the securities and investment advisory business in Maryland, orders Respondents to permanently cease and desist from further violations of the Act, and orders any other sanction or combination of sanctions against Respondents as permitted under section 11-701.1.

REQUIREMENT OF ANSWER AND NOTICE OF OPPORTUNITY FOR HEARING

IT IS FURTHER ORDERED that, pursuant to section 11-701.1 of the Act and COMAR 02.02.06.06, each Respondent shall file with the Commissioner a written Answer to this Order within 15 days of service of the Order. The Answer shall admit or deny each factual allegation in the Order and shall set forth affirmative defenses, if any. A Respondent without knowledge or information sufficient to form a belief as to the truth of an allegation shall so state.

The Answer also shall indicate whether the Respondent requests a hearing. A hearing will be scheduled in this matter if one is requested in writing. Failure by a Respondent to file a written request for a hearing in this matter shall be deemed a waiver by that Respondent of the right to

such a hearing.

Failure of a Respondent to file an Answer, including a request for a hearing, shall result in entry of a final order:

- (a) imposing on that Respondent a monetary penalty of up to \$5,000 per violation of the Securities Act;
- (b) barring that Respondent from engaging in the securities or investment advisory business in Maryland for or on behalf of any others, or from acting as principal or consultant in any entity so engaged; and
- (c) ordering that Respondent to permanently cease and desist from further violation of the Act; and
- (d) imposing on that Respondent any other sanctions or combination of sanctions lawful under section 11-701.1 of the Act.

SO ORDERED:

**Commissioner's Signature on File
w/Original Documents**

November 5, 2025

Melanie Senter Lubin
Maryland Securities Commissioner