BEFORE THE SECURITIES COMMISSIONER
OF THE STATE OF KANSAS

In the Matter of:

STEVEN S. MAITLAND

Docket No. 10 E 015
KSC No. 2007-5321

Respondent.
_____/

Pursuant to K.S.A. 17-1266a and
K.S.A. 17-12a604

STIPULATION FOR CONSENT ORDER

This proceeding follows an investigation conducted by the staff of the Office of the Securities Commissioner of Kansas, pursuant to K.S.A. 17-1265 and K.S.A. 17-12a602. As a result of the investigation, staff for the Office of the Securities Commissioner alleges that:

Allegations of Fact

1. Respondent Steven S. Maitland ["Respondent"] has a current residence address of [redacted]

2. During the time in question, Respondent worked as an economist under the auspices of the Kansas Farm Management Association assisting individuals with tax and accounting issues.

3. At the time of the transactions documented below:

   a. Respondent was not registered with the State of Kansas as an investment adviser representative or broker-dealer agent;

   b. the security being sold, investment in a company called Managed Cash Flow, LLC ["MCF"], was not registered as required by the Kansas Securities Act and/or Kansas Uniform Securities Act; and

c. Respondent received a 2% commission on monies invested by those individuals introduced to the investment by Respondent.

4. The servicing agent of MCF, Gene Little, was convicted of 35 counts of securities fraud and theft by the State of Colorado and sentenced to six (6) years in prison and ordered to pay $1,886,250.00 in restitution [*State of Colorado v. Gene Little*, Larimer County District Court, Ft. Collins, Colorado, September 29, 2008].

A. [redacted] and [redacted]

5. [redacted] and [redacted] ["the [redacted]"] are residents of LeRoy, Kansas, and former clients of Respondent.

6. While discussing tax issues, Respondent advised the [redacted] that (a) he and his parents were investors in a company called Managed Cash Flow, LLC ["MCF"], (b) the investment had a guaranteed 15% APR return, and (c) an investor could elect to have returns paid monthly.

7. On or about January 21, 2005, Mrs [redacted], on behalf of the [redacted], wrote a check to MCF in the amount of $20,000.00. The check and completed forms, with Respondent's assistance, were mailed to MCF.

B. [redacted] and [redacted]

8. [redacted] and [redacted] ["the [redacted]"] are residents of Eureka, Kansas, and former clients of Respondent.

9. On or about December 2004 or January 2005, the Respondent recommended that the [redacted] consider investing in MCF. Respondent provided the [redacted] with a copy of his May 2004 statement showing 15% APR on his investment.

10. Respondent advised the [redacted] that (a) he and his parents were investors,

(b) they were satisfied with the investment, and (c) the investment had a guaranteed 15% APR return.

11. On or about January 28, 2005, the [redacted] wrote a check to MCF, in the amount of $20,000.00, and gave the check and completed subscription forms to Respondent for mailing to MCF.

12. The [redacted] selected the option of receiving monthly interest payments and, from February 2005 through May 2006, received a return of $3,969.85.

13. In June 2006, the [redacted] were advised that MCF was insolvent.

C. [redacted]

14. [redacted] ["[redacted]"] is a resident of Burlington, Kansas, and a former client of Respondent.

15. Respondent provided [redacted] with a copy of his MCF account statement and advised that the investment provided a 15% return.

16. On or about January 31, 2005, [redacted] wrote a check to MCF in the amount of $30,000.00. The check, with Respondent's assistance, was mailed to MCF.

D. [redacted]

17. [redacted] ["[redacted]"] is a resident of Eureka, Kansas, and a former client of Respondent.

18. Respondent told [redacted] he had invested in MCF, as well as his parents, and they were receiving 15% interest. [redacted] was also advised that he could withdraw the funds with sixty days notice.

19. On or about February 28, 2005, [redacted] wrote a check to MCF in the amount of $30,000.00.

E. [redacted]

20. [“] is a resident of Madison, Kansas, and a former client of Respondent.

21. Respondent told he had invested in MCF and was receiving 15% interest.

22. On or about February 27, 2006, wrote a check to First Trust Co. of Onaga, for an investment in MCF, in the amount of $4,500.00.

F.

23. [“] is a resident of Emporia, Kansas, and a former client of Respondent.

24. Respondent told that he had invested in MCF and was receiving 15% interest. Respondent had made enough money to acquire a new home. had known Respondent for many years and trusted him.

25. On or about March 4, 2006, wrote a check to MCF in the amount of $80,000.00. mailed the check to Gene Little, the individual running MCF from Colorado.

G. and

26. and [“the ”] are residents of Burns, Kansas, and former clients of Respondent.

27. Respondent told the that he personally knew the individuals operating MCF and had invested monies himself. The investment was paying 15% interest and he was receiving monthly dividend checks.

28. On or about February 28, 2005, the signed a Subscription Authorization and tendered $36,000.00 for an investment in MCF.

29. On or about April 28, 2006, the [redacted] made additional investments in the amounts of $2,375.00 and $17,758.00.

30. The only information provided by Respondent to the [redacted] prior to investing was the MCF website address.

31. In addition to the investors specifically set above, the following individuals also invested in MCF through Respondent:

a. [redacted]; $30,000.00;
b. [redacted]; $11,086.00;
b. [redacted]; $4,500; and
c. [redacted]; $41,000.00.

32. As indicated in previous paragraphs, Respondent and his family also invested in MCF.

Allegations of Law

33. The investments sold are securities as defined by K.S.A. 1252(j) and K.S.A. 17-12a102.

34. Pursuant to K.S.A. 17-1266a(c) and K.S.A. 17-12a604(b), if the Commissioner finds that a person has engaged in an act, practice or course of business in violation of the Kansas Securities Act and/or Kansas Uniform Securities Act, he may enter an order with the following sanctions or remedies: (1) a civil penalty up to $40,000.00 per violation, (2) restitution and/or disgorgement, and (3) actual costs of the investigation or proceeding.

35. Respondent was engaged in activity as a broker-dealer agent and investment adviser representative without being registered with the State of Kansas, in violation of K.S.A. 17-1254, K.S.A. 17-12a402 and K.S.A. 17-12a403.

36. The security being offered by Respondent was not registered with the State of Kansas, in violation of K.S.A. 17-1255 and K.S.A. 17-12a301.

37. Adequate grounds exist under K.S.A. 17-1254, K.S.A. 17-1255, K.S.A. 17-1266a, K.S.A. 17-12a301, K.S.A. 17-12a402, K.S.A. 17-12a403 and 17-12a604, to invoke administrative sanctions against Respondent and such order is in the public interest.

38. On July 1, 2005, the former Kansas Securities Act, K.S.A. 17-1252, *et seq.*, was repealed and replaced by the Kansas Uniform Securities Act, K.S.A. 17-12a101, *et seq.* However, K.S.A. 17-12a703(a) states that "[t]he predecessor act exclusively governs all actions or proceedings that…may be instituted on the basis of conduct occurring before the effective date of [the Kansas Uniform Securities Act]."

Respondent, wishing to obtain disposition of this matter without invoking any right to a hearing before the Securities Commissioner, or his designee, has determined not to contest the issuance of an order by the Commissioner on the basis of the above allegations.

IT IS THEREFORE STIPULATED AND AGREED by and between Respondent and staff for the Securities Commissioner of Kansas that:

1. The Consent Order may be issued by the Kansas Securities Commissioner without further proceedings in this matter.

2. Respondent neither admits nor denies the above allegations.

3. Respondent hereby waives his right to a hearing before the Commissioner, or his designee, with respect to this matter, the issuance of the Consent Order and the above allegations.

APPROVED BY:

/s/ Steven S. Maitland _____. January 4, 2010
Steven S. Maitland Date
Respondent

/s/ Gail E. Bright _____. January 8, 2010
Gail E. Bright, #14572 Date
Associate General Counsel
Office of the Kansas Securities Commissioner
618 S. Kansas Ave.
Topeka, Kansas 66603