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WHEREAS, Respondents have failed to request a hearing on the matters contained in the said Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order.

WHEREAS, the Secretary of State, by and through his duty authorized representatives, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Final Findings of Fact as follows

1. The Respondent, The Maddox Group ("Maddox Group") is an entity which maintains a web site that states the firm is located Evanston, Illinois. The website gives The Willis Tower, 233 S Wacker Drive, 84<sup>th</sup> Floor, Chicago, Illinois 60606 as the firm's address.
2. Gregory D Maddox ("Respondent Maddox" or collectively with Respondent Maddox Group, "Respondents") is President of Respondent Maddox Group at all relevant times herein. His last known address is 1415 Sherman Avenue #404, Evanston, Illinois 60201.
3. According to its website, Respondent Maddox Group (1) is a strategic financial services firm which provides financial planning reviewing "investment goals" of its clients, (2) helps plan out and implement unique and comprehensive financial plans to achieve financial goals of clients; and (3) lists Rational Capital Management LLC as a registered investment advisor
4. Rational Capital Management LLC is not a registered investment advisor.
5. The services as provided to the general public in paragraph three (3) above, constitute the activities of an Investment Adviser as defined in Section 2.11 of the Act
6. The Department has searched its Records and the Department has found no record of Registration for Respondent as an investment adviser in the State of Illinois, in accordance with the registration requirements of the Act
7. The Respondent Maddox Group failed to file with the Secretary of State applications for registration as required by the Act.
  - a. failed to file an application for registration as an Investment Adviser pursuant to Section 8.D, or to notice file pursuant to Section 8.C(5) of the Act
8. Section 12 A of the Act provides that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.

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9. Section 12 D of the Act provides, inter alia, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
10. In failing to file applications to register as a dealer, and as an investment adviser pursuant to Section 8 of the Act, Respondent Maddox Group violated Sections 12.A and 12 D of the Act.
11. Respondent Maddox Group's website contains false and misleading advertising
  - a. Respondent states the firm has an office in Chicago and is a strategic financial services firm which provides financial planning reviewing "investment goals" of its clients, helps plan out and implement unique and comprehensive financial plans to achieve financial goals of clients, and lists Rational Capital Management LLC as a registered investment advisor
  - b. Respondent omitted to state that the firm was not registered as an investment adviser in the State of Illinois as they are required to be, to engage in the activities in 11 a above.
12. Section 12 F of the Act provides that it shall be a violation of the provisions of this Act for any person to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
13. Section 12.G of the Act provides that it shall be a violation of the provisions of this Act for any person to provides, obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission 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
14. Section 12.I of the Act provides that it shall be a violation of the provisions of this Act for any person to employ any device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly
15. Section 12 J of the act provides that when acting as an investment adviser, by any means or instrumentality, directly or indirectly
  - (1) To employ any device, scheme or artifice to defraud any client or prospective client;
  - (2) To engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client, or

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- (3) To engage in any act, practice, or course of business which if fraudulent, deceptive or manipulative. The Secretary of State shall for the purposes of this paragraph (3), by rules and regulations, define and prescribe means reasonably designed to prevent such acts, practices, and courses of business as are fraudulent, deceptive, or manipulative.

16 By virtue of the foregoing paragraphs, Respondent Maddox Group violated Sections 12 F, G, I and 12 J(1), (2), and (3) of the Act.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Conclusions of Law contained in the said Temporary Order as the Secretary of State's final Conclusions of Law as follows:

- 1 That by virtue of the foregoing, the Respondents Gregory D. Maddox and The Maddox Group have violated Sections 12.A, 12.D, 12.F, 12 G, 12 I and 12.J of the Act, and
- 2 That by virtue of the foregoing, the Respondents Gregory D. Maddox and The Maddox Group are subject, pursuant to Section 11.F of the Act, to an Order which permanently prohibits them from offering or selling securities in the State of Illinois

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11 F of the Act, Respondents **Gregory D. Maddox and The Maddox Group** are hereby prohibited from offering or selling securities in the State of Illinois until further order of the Secretary of State

ENTERED This 10th day of December, 2013



JESSE WHITE  
Secretary of State  
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 12 D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, [735 ILCS 5/3-101 et seq.] and the Rules and Regulations of the Illinois Securities Act, [14 Ill

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Admin. Code Ch. I, Section 130.1123] Any action for Judicial Review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

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