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**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING  
whether there has been a violation  
of the Securities Act of Washington by:

Market4Cast Hedge Fund, LP; Michael  
George Calhoun,

Respondents.

Order Number S-09-200-10-SC01

**STATEMENT OF CHARGES AND  
NOTICE OF INTENT TO ISSUE AN  
ORDER TO CEASE AND DESIST,  
IMPOSE FINES, AND RECOVER COSTS**

THE STATE OF WASHINGTON TO:

Market4Cast Hedge Fund, LP  
Michael George Calhoun

**STATEMENT OF CHARGES**

Please take notice that the Securities Administrator of the State of Washington has reason to believe that the Respondents, Market4Cast Hedge Fund, LP and Michael George Calhoun have each violated the Securities Act of Washington and that their violations justify the entry of an order of the Securities Administrator under RCW 21.20.390 against each to cease and desist from such violations, and to impose fines and recover costs. The Securities Administrator finds as follows:

**TENTATIVE FINDINGS OF FACT**

Respondents

1. Market4Cast Hedge Fund, LP (“Market4Cast Hedge Fund”) was established in December 2007. Michael George Calhoun operated the Market4Cast Hedge Fund from his former residence on Bainbridge Island, Washington.





1 Washington address. On November 26, 2008, the Oregon resident sent a \$10,000 cashier's check to  
2 Respondent Calhoun in California, where Respondent Calhoun was vacationing at the time.

3 11. Subsequent to his investment, the Oregon resident received an account statement for  
4 December 2008, via mail from Respondent Calhoun's Washington address. Included with the  
5 December 2008 statement was a check payable to the Oregon resident for \$856.02, representing his  
6 share of gains earned that month.

7 12. Account statements for January and February 2009 were emailed to the Oregon resident.  
8 In January 2009, the investment was down 12.6%.

9 13. The Oregon resident did not receive an account statement for March 2009. When the  
10 Oregon resident requested a statement, Respondent Calhoun failed to respond to him. In May 2009,  
11 the Oregon resident notified Respondent Calhoun that he wanted to withdraw his investment from the  
12 hedge fund. Again, the Oregon resident failed to receive a response from Respondent Calhoun.

13 Misrepresentations and Omissions

14 14. The Respondents failed to provide material information regarding the limited partnership  
15 interests, including, but not limited to: financial statements, a complete description of Calhoun's  
16 business background and experience, the general and specific risks involved, and a reasonable basis for  
17 the profit projections and limitations on the profit projections.

18 15. Respondent Calhoun represented to the Oregon resident that he was an attorney, without  
19 disclosing that he had been disbarred in California in 1998.

1 Registration Status

2 16. Michael George Calhoun is not currently registered as a securities salesperson, broker-  
3 dealer, investment adviser, or investment adviser representative in the State of Washington and has not  
4 previously been so registered.

5 17. Market4Cast Hedge Fund, LP is not currently registered to sell its securities in  
6 Washington nor is it registered as an investment adviser in the State of Washington. It has not  
7 previously been so registered.

8  
9 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

10 **CONCLUSIONS OF LAW**

11 1. The offer and/or sale of the limited partnership interests, as described above, constitutes  
12 the offer and/or sale of a security as defined by RCW 21.20.005(10) and (12).

13 2. The offer and/or sale of said securities were in violation of RCW 21.20.140 because the  
14 limited partnership interests were not registered in the State of Washington.

15 3. The offer and/or sale of said securities were in violation of RCW 21.20.040 because  
16 Michael George Calhoun offered and/or sold said securities while not registered as a securities  
17 salesperson or broker-dealer in the State of Washington.

18 4. The offer and/or sale of said securities were made in violation of RCW 21.20.010  
19 because, as set forth in the Tentative Findings of Fact, Respondents Michael George Calhoun and  
20 Market4Cast Hedge Fund, LP omitted to state material facts necessary in order to make the statements  
21 made, in light of the circumstances under which they were made, not misleading.

1           5. Respondents Market4Cast Hedge Fund, LP and Michael George Calhoun acted as an  
2 investment adviser and an investment adviser representative, respectively, as defined in RCW  
3 21.20.005(6) and (14) by maintaining the hedge fund.

4           6. Respondents Market4Cast Hedge Fund, LP and Michael George Calhoun violated RCW  
5 21.20.040 by transacting business as an investment adviser and investment adviser representative,  
6 respectively, while not registered in the State of Washington.

7                           **NOTICE OF INTENT TO ISSUE AN ORDER TO CEASE AND DESIST**

8           Pursuant to RCW 21.20.390(1), and based upon the above Tentative Findings of Fact and  
9 Conclusions of Law, the Securities Administrator intends to order that the Respondents Market4Cast  
10 Hedge Fund, LP and Michael George Calhoun, and their agents and employees, shall each cease and  
11 desist from violations of RCW 21.20.010, RCW 21.20.040 and RCW 21.20.140.

12                           **NOTICE OF INTENT TO IMPOSE FINES**

13           Pursuant to RCW 21.20.395, and based upon the above Tentative Findings of Fact and  
14 Conclusions of Law, the Securities Administrator intends to order that the Respondents Market4Cast  
15 Hedge Fund, LP and Michael George Calhoun shall each be liable for and pay a fine of \$10,000.

16                           **NOTICE OF INTENT TO CHARGE COSTS**

17           Pursuant to RCW 21.20.390(5), and based upon the above Tentative Findings of Fact and  
18 Conclusions of Law, the Securities Administrator intends to order that the Respondents Market4Cast  
19 Hedge Fund, LP and Michael George Calhoun shall be liable for and pay the Securities Division the  
20 costs, fees and other expenses incurred in the conduct of the investigation of this matter in an amount not  
21 less than \$1,000.

1 **AUTHORITY AND PROCEDURE**

2 This Statement of Charges is entered pursuant to the provisions of RCW 21.20.390 and RCW  
3 21.20.395, and is subject to the provisions of RCW 34.05. The Respondents may each make a written  
4 request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND  
5 OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

6 If a Respondent does not request a hearing, the Securities Administrator intends to adopt the above  
7 Tentative Findings of Fact and Conclusions of Law as final, enter a permanent cease and desist order as to  
8 that Respondent, and impose the fines and costs sought.

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10 DATED AND ENTERED this 28th day of February, 2011.

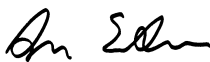
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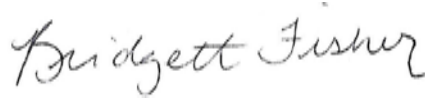
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13 \_\_\_\_\_  
14 William M. Beatty  
15 Securities Administrator

16 Approved by:

Presented by:

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19 \_\_\_\_\_  
20 Suzanne Sarason  
21 Chief of Enforcement

22 \_\_\_\_\_  
23 Bridgett Fisher  
24 Enforcement Attorney