

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Jon G. Ervin
Safevest, LLC
26161 Marguerite Parkway, Unit D
Mission Viejo, CA 92692

DESIST AND REFRAIN ORDER
(For violation of sections 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. Safevest, LLC (“Safevest”) is a limited liability company organized under the laws of Nevada on May 15, 2007. It maintains a principal place of business at 26161 Marguerite Parkway, Suite D, Mission Viejo, California 92692. It maintains a website at www.safevestllc.com.
2. At all relevant times, Jon G. Ervin (“Ervin”) was the control person of Safevest.
3. Beginning in October 2007 or earlier, Safevest, through Ervin, offered and sold securities in the form of an investment contract whereby Safevest promised to trade commodities for the benefit of the investor.
4. The investment contract was evidenced in writing in a “Joint Venture Private Placement Agreement” (“Agreement”). Safevest and the investor were the two parties to the Agreement.
5. Pursuant to the Agreement, Safevest would provide a trading platform and a “Master Account” bank account through which it would conduct trading. Safevest would also provide

1 “management of the Private Placement Program of this Agreement.”

2
3 6. Pursuant to the Agreement, the investor would receive 60% of the net proceeds from
4 trading and Safevest would receive 40% of the net proceeds from trading.

5
6 7. In or about October 2007, at least one investor executed the Agreement and invested
7 \$5,000 with Safevest. The investor subsequently invested another \$60,000 with Safevest.

8
9 8. The securities were offered or sold in this state in issuer transactions. The Department
10 of Corporations has not issued a permit or other form of qualification authorizing any person to offer
11 and sell these securities in this state.

12
13 9. Pursuant to the Agreement, Safevest promised that the investor could totally liquidate
14 his investment with 72 hours’ notice to Safevest. In or about December 2007, the investor attempted
15 to liquidate his investment by faxing a “Transmittal: Deposit/Withdrawal Notification” to Safevest.
16 In spite of the investor’s repeated requests to Ervin and Safevest, the investor has not received any
17 return of his original investment or profits.

18
19 10. In connection with the offer and sale of these securities, Safevest and Ervin
20 misrepresented that the investor would receive 60% of profits and could liquidate his investment
21 within 72 hours. In fact, the investor has not received any profits or a return of his original
22 investment.

23
24 Based upon the foregoing findings, the California Corporations Commissioner is of the opinion
25 that the investment contracts that are being or have been offered or sold by Jon G. Ervin and Safevest,
26 LLC are securities subject to qualification under the California Corporate Securities Law of 1968 and
27 are being or have been offered or sold without being qualified in violation of Corporations Code
28 section 25110. Pursuant to section 25532 of the Corporate Securities Law of 1968, Jon G. Ervin and

1 Safevest, LLC are hereby ordered to desist and refrain from the further offer or sale in the State of
2 California of securities, including but not limited to investment contracts, unless and until qualification
3 has been made under the law or unless exempt.

4
5 Further, the California Corporations Commissioner is of the opinion that the securities that are
6 being or have been offered or sold by Jon G. Ervin and Safevest, LLC were offered or sold in this state
7 by means of written or oral communications which included an untrue statement of a material fact or
8 omitted to state a material fact necessary in order to make the statements made, in the light of the
9 circumstances under which they were made, not misleading, in violation of section 25401 of the
10 Corporate Securities Law of 1968. Pursuant to section 25532 of the Corporate Securities Law of
11 1968, Jon G. Ervin and Safevest, LLC are hereby ordered to desist and refrain from offering or selling
12 any securities in the State of California, including but not limited to investment contracts, by means of
13 any written or oral communication which includes an untrue statement of material fact or omits to
14 state a material fact necessary in order to make the statements made, in the light of the circumstances
15 under which they were made, not misleading.

16
17 This Order is necessary, in the public interest, for the protection of investors and consistent
18 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

19
20 Dated: May 1, 2008
21 Los Angeles, California

22 PRESTON DuFAUCHARD
23 California Corporations Commissioner

24 By: _____
25 ALAN S. WEINGER
26 Lead Corporations Counsel
27 Enforcement Division
28