

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801)530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

**SAFEVEST LLC,
RAYDA ROUNDY**

Respondents.

**AFFIDAVIT OF SERVICE AND NON
RESPONSE AS TO SAFEVEST LLC**

Docket No. SD 08-0078

Docket No. SD 08-0079

I, Pam Radzinski, first being duly sworn, depose and state as follows:

1. I am the Executive Secretary for the Department of Commerce Division of Securities (the Division).
2. As executive secretary for the Division, I am responsible for supervising the mailing of the Division's Orders to Show Cause and for receiving any responses filed by respondents.
3. On August 5, 2008, the Division served, by certified mail, an Order to Show Cause (OSC) dated August 4, 2008, on Safevest LLC, along with a Notice of Agency Action (Notice or NOAA), advising the company that a default order would be entered if it

failed to appear at a hearing set for Tuesday September 9, 2008, or file a written response to the OSC within thirty (30) days of the mailing date of the Notice. The Notice designated the adjudicative proceeding as formal.

4. The OSC and NOAA served on Safevest LLC were delivered on August 7, 2008.
5. A hearing was convened on Tuesday September 9, 2008. Safevest failed to appear or file a Response.
6. As of the date of this Affidavit, Safevest LLC has not filed the required response.

DATED this 10th day of ~~September~~ ^{NOVEMBER} 2008.

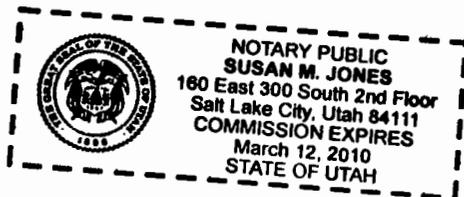
Pam Radzinski

PAM RADZINSKI
Executive Secretary

SALT LAKE COUNTY)
) ss
STATE OF UTAH)

Signed and subscribed to before me this 10th day of ~~September~~ ^{November} 2008.

Susan M Jones



Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801)530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

**SAFEVEST LLC
RAYDA ROUNDY**

Respondents.

**NOTICE OF ENTRY OF DEFAULT AND
ORDER AS TO SAFEVEST LLC**

**Docket No. SD 08-0078
Docket No. SD 08-0079**

I. BACKGROUND

A formal adjudicative proceeding was initiated by the Division's Order to Show Cause (OSC) and Notice of Agency Action (Notice or NOAA) dated August 4, 2008, against Safevest LLC, advising the company file an answer or appear at a hearing set for Tuesday September 9, 2008 or default would be entered against them. A hearing was convened that day, but no response was received or filed by Safevest LLC. Default was entered against it.

II. FINDINGS OF FACT

1. Safevest LLC (Safevest) is a Nevada limited liability company. The company registered on May 15, 2007, but its entity status has been in default since June 1, 2008. The

managing members of Safevest are Jon G. Ervin and John V. Slye. Safevest's principal place of business is in Laguna Hills, California. Safevest is not a registered business entity in Utah.

2. On May 1, 2008, the Securities and Exchange Commission (SEC) filed a civil action against Safevest and its members (CV08-00473, SEC v. Safevest, LLC, Jon G. Ervin, and John V. Slye) in the U. S. District Court, Central District of California, and also appointed a receiver to liquidate and distribute assets to investors. The SEC receivership is currently pending.

General Allegations

Investor ME

3. In late October 2007, investor ME contacted Safevest's Agent via telephone from ME's residence in Utah County, Utah, to inquire about an investment opportunity he heard about from ME's brother-in-law.
4. Safevest's Agent told ME he needed to sign and submit non-disclosure documents before the agent could tell ME anything.
5. ME signed and submitted the documents, via facsimile, from Utah County, Utah.
6. Safevest's Agent then sent ME, via facsimile, some information about Safevest.
7. The information provided identified Wayne Brown & Associates as a "Consultant Group" for Safevest.
8. The documents provided to ME state the following:

- a. Wayne Brown and Associates would receive a percentage of the Investor's profits and initial investment, as a finder's fee;
 - b. Funds invested in the program would be used to trade "30-year bond and 10-year note futures" through the Chicago Mercantile Exchange (CME);
 - c. Trading would be accomplished through a software program, which will stop trading once a target percentage gain had been realized;
 - d. The trading program has a "Loss tolerance" of 2.5% per day;
 - e. Usually only about 1 in 30 trades result in a loss;
 - f. Profits of .5% to 1% per trading day can be expected;
 - g. A fee of 35% would be assessed to any profits;
 - h. Funds from any investor totaling less than \$500,000 would be combined with other investors' money in order to "minimize risk and accentuate profitability;" and
 - i. The minimum investment is \$25,000.
9. ME reviewed the documents provided by Safevest's Agent, and performed some research on Jon Ervin (Ervin), whose name appeared on the non-disclosure agreement.
 10. ME found an action filed by the Securities and Exchange Commission (SEC), which named Ervin as a "Relief Defendant."
 11. In late October 2007, ME contacted Safevest Agent's and asked her about the SEC action against Ervin.

12. Safevest's Agent told ME that Ervin was an innocent man, but he worked for "fraudsters" who happened to pay Ervin with investor funds. The Agent said Ervin had been cleared, but the SEC was just "out to get" him.
13. ME asked the Agent how Safevest could offer such high returns, and what risk was involved.
14. Safevest's Agent said the high rate of return was realized by utilizing a software program to trade commodities. The Agent said the software program would be overseen by traders at the CME.
15. Safevest's Agent told ME only 8 to 13% of ME's money would be at risk at any given time, and of the 8 to 13%, only 2.5% could be lost in a given day.
16. Safevest's Agent told ME the program had been operating for three years without a loss.
17. Safevest's Agent told ME there would be a 10% commission on ME's investment, which would be split between the Agent and Wayne Brown and Associates.
18. On October 31, 2007, ME invested \$5,000 in Safevest, via wire transfer, to Safevest's Wells Fargo Bank account.
19. In late October or early November, 2007, ME contacted Wayne Brown (Brown), of Wayne Brown and Associates, via telephone to get more information about Ervin and the SEC action.
20. Brown told ME that Ervin was "a good guy" who was "caught in a scheme."
21. After investing, ME was able to view an online statement of his account at

safevestllc.com.

22. ME's account showed daily gains of between 1.56 and 1.74%.
23. On or about November 9, 2007, ME invested an additional \$10,000 in Safevest by making a cash deposit into Safevest's Wells Fargo Bank account.
24. From November 9 to 29, 2007, ME's account showed gains of between 1.51 and 1.79%.
25. On or about November 29, 2007, ME invested an additional \$50,000 in Safevest, via wire transfer, to Safevest's Wells Fargo Bank account.
26. On or about December 19, 2007, ME requested, via facsimile, a withdrawal of \$70,000 from his Safevest account.
27. When ME's funds did not arrive, ME contacted Ervin to ask why. Ervin said several investors requested payments because of Christmas, and as a result, Ervin was behind on completing transfers.
28. Ervin promised to send ME's funds the following week.
29. To date, ME has received no return from his investment in Safevest, and Safevest owes him \$65,000 in principal alone.

III. CONCLUSIONS OF LAW

30. The service of the OSC and the Notice initiating these proceedings is valid upon Safevest LLC.
31. Despite notice, Safevest failed to file a response or otherwise appear.
32. Because the company failed to file a written response to the OSC of August 4, 2008

within 30 days and because they failed to appear at the initial hearing on September 9, they are in default.

33. The investment opportunity offered and sold by Safevest is an investment contract and a security under § 61-1-13 of the Act.
34. In connection with the offer and sale of a security, Safevest, directly or indirectly, made false statements, including, but not limited to, the following:
 - a. Safevest's trading program had been returning an average of at least 1% per day to investors;
 - b. Investment monies could be withdrawn with 72 hours notice; and
 - c. The minimum investment was \$25,000.
35. In connection with the offer and sale of a security, Safevest, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make representations made, in light of the circumstances under which they were made, not misleading:
 - a. Financial statements for Safevest LLC;
 - b. The risks involved with the commodities market; and
 - c. Safevest's Agent's unpaid civil judgement from 2001.
36. Based on the above information, Safevest LLC violated § 61-1-1 of the Act.

IV. ORDER

Based on the above, the Director hereby:

1. Declares Safevest LLC in default for failing to file a written response to the OSC dated August 4, 2008 and for failing to appear at the September 9, 2008 initial hearing.
2. Enters, as its own findings, the Finding of Fact described in Section II above.
3. Enters, as its own conclusions, the Conclusions of Law described in Section III above.
4. Finds that Safevest violated the Utah Uniform Securities Act by misrepresenting material facts in connection with the offer and sale of a security in or from Utah in violation of § 61-1-1(2).
5. Finds that Safevest violated the Utah Uniform Securities Act by failing to disclose material information which was necessary to make the statements made not misleading, in connection with the offer and sale of a security in or from Utah in violation of § 61-1-1(2).
6. Orders Safevest to permanently CEASE and DESIST from any violations of the Act.

DATED this 12th day of November ~~September~~ 2008.


KEITH WOODWELL
Director, Division of Securities



Pursuant to § 63-46b-11(3), Respondent may seek to set aside the Default Order entered in this proceeding by filing such a request with the Division consistent with the procedures outlined in the Utah Rules of Civil Procedure.

CERTIFICATE OF MAILING

I certify that on the 13TH day of ~~September~~^{NOVEMBER}, 2008, I mailed a true and correct copy

of the Notice of Entry of Default and Order to:

Safevest, LLC
c/o Incomp. Services, Inc., Registered Agent
375 N. Stephanie 1411
Henderson, NV 89074-8909

Safevest LLC
c/o Jon G. Ervin, Managing Member
26161 Marguerite Parkway, Suite D
Mission Viejo, CA 92692



Executive Secretary