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:	**ORDER TO SHOW CAUSE**
SAFEVEST LLC **RAYDA ROUNDY**	**Docket No.** SD-08-0078 **Docket No.** SD-08-0079
Respondents.	

It appears to the Director of the Utah Division of Securities (Director) that Safevest LLC and Rayda Roundy have engaged in acts and practices that violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, et seq. (the Act). Those acts are more fully described herein. Based upon information discovered in the course of the Utah Division of Securities' (Division) investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF JURISDICTION

1. Jurisdiction over the Respondents and the subject matter is appropriate because the Division alleges that they violated §§ 61-1-1 (securities fraud), and 61-1-3 (Sale by Unlicensed Broker-Dealer) of the Act, while engaged in the offer and sale of a security in

or from Utah.

STATEMENT OF FACTS

THE RESPONDENTS

2. 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.

3. Rayda Roundy (Roundy) resides in Washington County, Utah. At all times relevant to the matters asserted herein, Roundy acted as an agent of Safevest.

GENERAL ALLEGATIONS

Investor ME

4. In late October 2007, investor ME contacted Roundy 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.

5. Roundy told ME he needed to sign and submit non-disclosure documents before Roundy could tell ME anything.

6. ME signed and submitted the documents, via facsimile, from Utah County, Utah.

7. Roundy then sent ME, via facsimile, some information about Safevest.

8. The information provided identified Wayne Brown & Associates as a "Consultant

Group" for Safevest.

9. 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.

10. ME reviewed the documents provided by Roundy, and performed some research on Jon Ervin (Ervin), whose name appeared on the non-disclosure agreement.

11. ME found an action filed by the Securities and Exchange Commission (SEC), which named Ervin as a "Relief Defendant."

12. In late October 2007, ME contacted Roundy and asked her about the SEC action against Ervin.

13. Roundy told ME that Ervin was an innocent man, but he worked for "fraudsters" who happened to pay Ervin with investor funds. Roundy said Ervin had been cleared, but the SEC was just "out to get" him.

14. ME asked Roundy how Safevest could offer such high returns, and what risk was involved.

15. Roundy said the high rate of return was realized by utilizing a software program to trade commodities. Roundy said the software program would be overseen by traders at the CME.

16. Roundy 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.

17. Roundy told ME the program had been operating for three years without a loss.

18. Roundy told ME there would be a 10% commission on ME's investment, which would be split between Roundy and Wayne Brown and Associates.

19. On October 31, 2007, ME invested $5,000 in Safevest, via wire transfer, to Safevest's Wells Fargo Bank account.

20. 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.

21. Brown told ME that Ervin was "a good guy" who was "caught in a scheme."

22. After investing, ME was able to view an online statement of his account at safevestllc.com.

23. ME's account showed daily gains of between 1.56 and 1.74%.

24. 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.

25. From November 9 to 29, 2007, ME's account showed gains of between 1.51 and 1.79%.

26. On or about November 29, 2007, ME invested an additional $50,000 in Safevest, via wire transfer, to Safevest's Wells Fargo Bank account.

27. On or about December 19, 2007, ME requested, via facsimile, a withdrawal of $70,000 from his Safevest account.

28. 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.

29. Ervin promised to send ME's funds the following week.

30. To date, ME has received no return from his investment in Safevest, and the Respondents owe him $65,000 in principal alone.

CAUSES OF ACTION

COUNT I
Securities Fraud under § 61-1-1 of the Act
(Safevest LLC and Rayda Roundy)

31. The Division incorporates and re-alleges paragraphs 1 through 30.

32. The investment opportunity offered and sold by Respondents to ME is an investment contract, and therefore a security, under § 61-1-13 of the Act. An investment contract includes,

> any investment in a common enterprise with the expectation of profit to be derived through the essential managerial efforts of someone other than the investor; or . . . any investment by which . . . an offeree furnishes initial value to an offerer; . . . a portion of this initial value is subjected to the risks of the enterprise; . . . the furnishing of the initial value is induced by the offerer's promises or representations which give rise to a reasonable understanding that a valuable benefit of some kind over and above the initial value will accrue to the offeree as a result of the operation of the enterprise; and . . . the offeree does not receive the right to exercise practical or actual control over the managerial decisions of the enterprise.

UTAH ADMIN. CODE R164-13-1(B)(1)(a) and 1(b).

33. In connection with the offer and sale of a security to ME, the Respondents, 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.

34. In connection with the offer and sale of a security to ME, the Respondents, 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. Roundy's unpaid civil judgement from 2001.

35. Based on the above information, Safevest LLC and Rayda Roundy violated § 61-1-1 of the Act.

COUNT II
Sale by an Unlicensed Agent under § 61-1-3 of the Act
(Rayda Roundy)

36. The Division incorporates and re-alleges paragraphs 1 through 35.

37. Roundy offered or sold securities in Utah.

38. When offering and selling these securities on behalf of Safevest, Roundy was acting as an agent of an issuer.

39. Roundy has never been licensed to sell securities in Utah as an agent of this issuer, or any other issuer.

40. Based on the above information, Rayda Roundy violated § 61-1-3(1) of the Act.

ORDER

The Director, pursuant to § 61-1-20 of the Act, hereby orders the Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63-46b-4 and 63-46b-6 through -10, and held before the Utah Division of Securities. The hearing will occur on

Tuesday, September 9, 2008, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah. The purpose of the hearing is to establish a scheduling order and address any preliminary matters. If the Respondents fail to file an answer and appear at the hearing, the Division of Securities may hold Respondents in default, and a fine may be imposed in accordance with Utah Code Ann. § 63-46b-11. In lieu of default, the Division may decide to proceed with the hearing under § 63-46b-10. At the hearing, the Respondents may show cause, if any they have:

a. Why Safevest LLC and Rayda Roundy should not be found to have engaged in the violations alleged by the Division in this Order to Show Cause; and

b. Why Safevest LLC and Rayda Roundy should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1-1, or any other section of the Act.

DATED this 4th day of August, 2008.

KEITH WOODWELL
Acting Director, Utah Division of Securities

Approved:

JEFF BUCKNER
Assistant Attorney General

J. G.

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:	NOTICE OF AGENCY ACTION
SAFEVEST LLC	Docket No. SD-08-0078
RAYDA ROUNDY	Docket No. SD-08-0079
Respondents.	

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENTS:

The purpose of this Notice of Agency Action is to inform you that the Division hereby commences a formal adjudicative proceeding against you as of the date of the mailing of the Order to Show Cause. The authority and procedure by which this proceeding is commenced are provided by Utah Code Ann. §§ 63-46b-3 and 63-46b-6 through 11. The facts on which this action is based are set forth in the foregoing Order to Show Cause.

Within thirty (30) days of the mailing date of this notice, you are required to file an Answer with the Division. The Answer must include the information required by Utah Code § 63-46b-6 (1). In addition, you are required by § 63-46b-6 (3) to state: a) by paragraph, whether

you admit or deny each allegation contained in the Order to Show Cause, including a detailed explanation for any response other than an unqualified admission; b) any additional facts or documents which you assert are relevant in light of the allegations made; and c) any affirmative defenses (including exemptions or exceptions contained within the Utah Uniform Securities Act) which you assert are applicable. To the extent that factual allegations or allegations of violations contained in the Order to Show Cause are not disputed in your Answer, they will be deemed admitted.

Your Answer, and any future pleadings or filings that should be part of the official files in this matter, should be sent to the following:

Signed originals to:	A copy to:
Administrative Court Clerk c/o Pam Radzinski Division of Securities 160 E. 300 S., Second Floor Box 146760 Salt Lake City, UT 84114-6760 (801) 530-6600	Jeff Buckner Assistant Attorney General 160 E. 300 S., Fifth Floor Box 140872 Salt Lake City, UT 84114-0872 (801) 366-0310

A hearing date has been set for Tuesday, September 9, 2008, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah.

If you fail to file an Answer, as set forth herein, or fail to appear at the hearing, the Division of Securities may hold you in default, and a fine and other sanctions may be imposed

against you in accordance with Utah Code Ann. § 63-46b-11, without the necessity of providing you with any further notice. In lieu of default, the Division may decide to proceed with the hearing under § 63-46b-10. At the hearing, you may appear and be heard and present evidence on your behalf. You may be represented by counsel during these proceedings.

The Administrative Law Judge will be J. Steven Eklund, Utah Department of Commerce, 160 East 300 South, P.O. Box 146701, Salt Lake City, UT 84114-6701, telephone (801) 530-6648. Pursuant to U.C.A. Subsection 63-46b-2(1)(h), Mr. Eklund is hereby designated as presiding officer for the purpose of conducting this formal administrative proceeding. Questions regarding the Order to Show Cause and Notice of Agency Action should be directed to the Division's attorney, Jeff Buckner, at (801) 366-0310.

DATED this 4th day of August, 2008.

KEITH WOODWELL
Director, Division of Securities

Certificate of Mailing

I certify that on the 5TH day of August, 2008, I mailed, via certified mail, a true and correct copy of the Order to Show Cause and Notice of Agency Action to:

Rayda Roundy
93 West 400 South
Hurricane, UT 84737

Certified Mailing # 70070710000302082058

Safevest, LLC
C/O Incorp. Services, Inc., Registered Agent
375 N. Stephanie 1411
Henderson, NV 89074-8909

Certified Mailing # 70070710000302082065

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

Certified Mailing # 70070710000302082072

Safevest, LLC
C/O John V. Slye, Managing Member
26161 Marguerite Parkway, Suite D
Mission Viejo, CA, 92692

Certified Mailing # 70070710000302082089

Pam Rasmussen
Executive Secretary