

Further, you must serve a copy of the request for a hearing and any other documents on the person who signed the Order by providing a copy to his or her counsel indicated below:

Carolyn W. Mendelson
Assistant Counsel
Attorney I.D. # 74601
FOR: Commonwealth of Pennsylvania
Department of Banking and Securities
301 Fifth Avenue, Room 290
Pittsburgh, PA 15222
(412) 565-5083

The hearing and all other procedural matters will be governed by the Pennsylvania Administrative Agency Law, 2 Pa. C.S. §§501-508, 701-704, and the General Rules of Administrative Practice and Procedure, 1 Pa. Code §§31.1.-35.251.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

FILED

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COMMONWEALTH OF PENNSYLVANIA	:	PA DEPARTMENT OF
DEPARTMENT OF BANKING AND	:	BANKING AND SECURITIES
SECURITIES, BUREAU OF SECURITIES	:	
LICENSING, COMPLIANCE AND	:	ADMINISTRATIVE PROCEEDING
ENFORCEMENT	:	DOCKET NO. 2012-04-07
	:	
	:	
v.	:	
	:	
THE CVI GROUP, LTD. d/b/a MIDAS TOUCH	:	
PROMOTIONS	:	Docket No. : 13 <u>0024</u> (SEC)
KEVIN G. NELSON a.k.a. KEVYN G. NELSON;	:	
KEVIN J. NELSON, KEVYN J. NELSON;	:	
BARON KEVIN JEROME NELSON	:	
	:	

SUMMARY ORDER TO CEASE AND DESIST

WHEREAS, the Department of Banking and Securities (the "Department") is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the Pennsylvania Securities Act, 70 P.S. § 1-101 et seq. ("1972 Act"); and

WHEREAS, the Bureau of Securities Licensing, Compliance, and Enforcement (the "Bureau") is primarily responsible for administering and enforcing the 1972 Act for the Department; and

WHEREAS, The CVI Group, Ltd. d/b/a Midas Touch Promotions ("Respondent CVI") was, at all times material herein, an entity with addresses at 5042 Wilshire Blvd, Suite 244, Los Angeles, California 90036 and 901 North Inglewood Avenue, Apt.7, Inglewood, California 90302. Respondent CVI purports to be in the business of promoting and producing music concert events. At all times material herein, Respondent CVI maintained an advertisement

("Ad") on the Internet, through which it was offering for sale promissory notes ("Notes", or when referring to one of the Notes singularly, "Note"); and

WHEREAS, Kevin G. Nelson a.k.a. Kevin J. Nelson, Kevyn G. Nelson, Kevyn J. Nelson, Baron Kevyn Jerome Nelson ("Respondent Nelson") was, at all times material herein, an individual with addresses at 5042 Wilshire Blvd, Suite 244, Los Angeles, California 90036 and 901 North Inglewood Avenue, Apt.7, Inglewood, California 90302. At all times material herein, Respondent Nelson was the operator of Respondent CVI; and

WHEREAS, in or about October 2011, at least one Pennsylvania resident ("PA Resident") viewed the Ad which was posted on the Worldwide Web at www.craigslist.com. The Ad sought investors in the Notes; and

WHEREAS, in or about October 2011, at least one PA Resident responded to the Ad for the Notes; and

WHEREAS, in or about October 2011, the PA Resident received offering materials ("Materials") via e-mail from Respondent Nelson which included a "Concert Investment Proposal" and an "Investment Agreement"; and

WHEREAS, the Materials state:

- a. The Notes are an "exclusive opportunity to invest in a Turn Key Short venture in high profile concerts with higher than average potential return on investment";
- b. The return on investment in the Notes is 30%;
- c. The PA Resident will invest \$30,000; and
- d. The Notes will pay interest in a minimum amount of 30%; and

WHEREAS, in or about October 2011, the PA Resident purchased the first Note for \$30,000 from Respondent CVI; and

WHEREAS, in or about December 2011, the PA Resident received additional Materials from Respondent Nelson for an investment in a second Note. The Materials included a “Certificate of Acknowledgment” and an “Investment Agreement” and state:

- a. The PA Resident would receive his principal back with 25% interest any time prior to December 31, 2012;
- b. The PA Resident’s funds would be invested by Respondent CVI in producing and promoting a live music concert;
- c. If Respondent CVI did not end up producing and promoting a live music concert, the PA Resident’s funds would be returned to him/her by Respondent CVI with 15% interest within 72 hours of cancelling the music concert; and
- d. The wiring and bank deposit information for Respondent CVI was included on the Materials; and

WHEREAS, in or about December 2011, the PA Resident invested \$65,000 in a second Note; and

WHEREAS, in or about October 2012 through February 2013, the PA Resident has sought repayment for his investment in the Second Note; and

WHEREAS, as of February 2013, the PA Resident has not received any payment from Respondent CVI or Respondent Nelson for the second Note; and

WHEREAS, the PA Resident was not an accredited investor under Rule 501 of Regulation D, and did not have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the investment; and

WHEREAS, the PA Resident had no substantive, pre-existing relationship with Respondent CVI or with Respondent Nelson; and

WHEREAS, the Ad does not contain the disclosure set forth in Department Regulation 203.190, 64 Pa. Code § 203.190; and

WHEREAS, the Notes described above are “securities” within the meaning of Section 102(t) of the Pennsylvania Securities Act of 1972 (1972 Act), 70 P.S. § 1-102(t); and

WHEREAS, Respondent CVI is the “issuer” of the Notes described above within the meaning of Section 102(l) of the 1972 Act, 70 P.S. § 1-102(l); and

WHEREAS, Respondent Nelson acted as an “affiliate” of Respondent CVI within the meaning of Section 102(b) of the 1972 Act, 70 P.S. § 1-102(b), and, as such, caused and is about to cause Respondent CVI to commit the herein stated acts which violated the 1972 Act; and

WHEREAS, the records of the Department disclose that the Notes are (a) not registered under Section 201 of the 1972 Act, 70 P.S. § 1-201; (b) not exempt from registration under Section 202 of the 1972 Act, 70 P.S. § 1-202; and (c) not federally covered securities; and further the securities transactions relating to the Notes are not exempt under Section 203 of the 1972 Act, 70 P.S. § 1-203; and

WHEREAS, by letter dated January 16, 2013, the Bureau notified Respondent Nelson that the offering and sale of the Notes in Pennsylvania may not have been in compliance with the 1972 Act and, in order to avoid a Bureau enforcement action, provide the Bureau with information and sign the letter indicating he has ceased all offers and sales in Pennsylvania within ten (10) days; and

WHEREAS, to date, the Bureau has not received any response from Respondent Nelson or anyone on his behalf; and

WHEREAS, based on the foregoing, the Department finds that Respondents CVI and Nelson have engaged in or are about to engage in acts and practices which violate Section 201 of the 1972 Act, 70 P.S. § 1-201; and

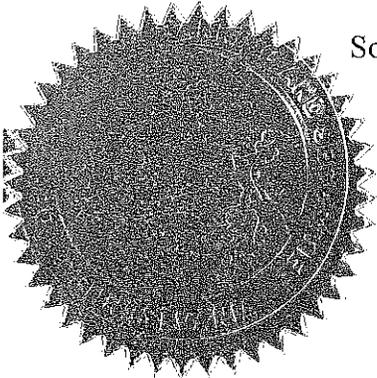
Authority of the Department

WHEREAS, Section 606(c.1) of the 1972 Act provides the Department with authority to issue a summary order to cease and desist when it finds that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of the 1972 Act or any rule or order thereunder. The order may be issued summarily without notice or hearing; and

WHEREAS, after due deliberation, the Bureau finds that it is necessary and appropriate, in the public interest, for the protection of investors and is consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue the following Order:

AND NOW, THEREFORE, the Bureau, pursuant to its authority referenced above, hereby imposes the following Order:

IT IS ORDERED that The CVI Group, Ltd. d/b/a Midas Touch Promotions and Kevin G. Nelson a.k.a. Kevyn G. Nelson, Kevin J. Nelson, Kevyn J. Nelson, Baron Kevyn Jerome Nelson, and every successor, affiliate, control person, agent, servant, and employee of them, and every entity owned, operated, or indirectly or directly controlled or hereinafter organized by or on behalf of them, shall immediately CEASE AND DESIST from offering and selling the Notes in the Commonwealth of Pennsylvania in violation of the 1972 Act, and, in particular, Section 201 thereof.



So ORDERED this 1st day of March, 2013.

BY ORDER OF THE DEPARTMENT

Aimee Toth, Deputy Secretary for Securities

Date Issued & Entered: March 5, 2013

Representation before the Department of Banking and Securities shall be in accordance with Sections 31.21, 31.22, 31.23, and 31.24 of the General Rules of Administrative Practice and Procedure, 1 Pa. Code §§ 31.21, 31.22, 31.23, and 31.24. An individual who substantially controls a Respondent may represent the Respondent in an adversary proceeding.

FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

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DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND
SECURITIES, BUREAU OF SECURITIES
LICENSING, COMPLIANCE AND
ENFORCEMENT

ADMINISTRATIVE PROCEEDING
DOCKET NO. 2012-04-07

v.

THE CVI GROUP LTD. d/b/a MIDAS TOUCH
PROMOTIONS
KEVIN G. NELSON a.k.a. KEVYN G. NELSON,
KEVIN J. NELSON, KEVYN J. NELSON,
BARON KEVIN JEROME NELSON

Docket No. : 13 0024 (SEC)

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Order upon the parties below, who constitute the only parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code §§ 33.35, 33.36 and 33.37:

BY CERTIFIED AND FIRST CLASS MAIL

CVI Group, Ltd. d/b/a Midas Touch Promotions
5042 Wilshire Blvd, Suite 244
Los Angeles, California 90036

CVI Group, Ltd. d/b/a Midas Touch Promotions
901 North Inglewood Avenue, Apt.7
Inglewood, California 90302.

Kevin G. Nelson a.k.a. Kevin J. Nelson, Kevyn G. Nelson, Kevyn J. Nelson,
Baron Kevyn Jerome Nelson
5042 Wilshire Blvd, Suite 244
Los Angeles, California 90036

Kevin G. Nelson a.k.a. Kevin J. Nelson, Kevyn G. Nelson, Kevyn J. Nelson,
Baron Kevyn Jerome Nelson
901 North Inglewood Avenue, Apt.7
Inglewood, California 90302

Dated this 5th day of March, 2013.

Fran Beers, Administrative Officer
Office of Chief Counsel
FOR: Commonwealth of Pennsylvania
Department of Banking and Securities
Market Square Plaza
17 North Second Street, Suite 1300
Harrisburg, PA 17101
717-787-1471