

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER



JACK D. LADD
CHAIRMAN

JOHN R. MORGAN
DEPUTY SECURITIES COMMISSIONER

BRYAN K. BROWN
MEMBER

BETH ANN BLACKWOOD
MEMBER

Mail: P.O. BOX 13167
AUSTIN, TEXAS 78711-3167

Texas State Securities Board

WILLIAM R. SMITH
MEMBER

Phone: (512) 305-8300
Facsimile: (512) 305-8310

208 E. 10th Street, 5th Floor
Austin, Texas 78701-2407
www.ssb.state.tx.us

EDWARD ESCUDERO
MEMBER

IN THE MATTER OF
SYLVESTER WILSON
AND DAMON PONCE DE LEON

Order No. ENF-07-CDO-1639

TO: Sylvester Wilson
The Milhaven Group II, LLC
3151 West Cahuenga Boulevard, Suite 333
Los Angeles, California 90068

Damon Ponce De Leon
The Milhaven Group II, LLC
3151 West Cahuenga Boulevard, Suite 333
Los Angeles, California 90068

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("Securities Commissioner") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2006) ("Texas Securities Act").

The Staff of the Enforcement Division ("the Staff") of the Texas State Securities Board ("the Securities Board") has presented evidence sufficient for the Securities Commissioner to find that:

FINDINGS OF FACT

1. Sylvester Wilson ("Respondent Wilson") maintains a last known address of 3151 West Cahuenga Boulevard, Suite 333, Los Angeles, California 90068.
2. Damon Ponce De Leon ("Respondent De Leon") maintains a last known address of 3151 West Cahuenga Boulevard, Suite 333, Los Angeles, California 90068.
3. Respondents are offering, in Texas, shares of Class B Membership Interests in The Milhaven Group II, LLC ("Milhaven Shares").

4. Respondent Wilson sent or caused to be sent offering documents describing the Milhaven Shares (the "Offering Documents") and Respondents Wilson and De Leon discussed the investment in Milhaven Shares with a potential Texas investor.
5. In connection with the offer for sale of the above-described Milhaven Shares, Respondent Wilson represented to a potential Texas investor that the investor is guaranteed 30-35% annual returns on investment for 15 to 20 years. Respondent Wilson further stated that he was contacting the investor because he understood the investor was looking for safe and secure investments. These statements are materially misleading because (1) the Offering Documents set forth no such guaranty and explicitly state there is no guaranty of cash distributions and (2) the Offering Documents set forth numerous risks, which could result in the total loss of investor funds including that this is a high risk, speculative offering by a company with no operating history and little management staff whose business plan will place the company in a highly, competitive market.
6. In connection with the offer for sale of the above-described Milhaven Shares, Respondent De Leon represented to a potential Texas investor that (1) a worst case scenario would be 30% per annum return on investment; (2) this was a safe and secure investment; (3) the accredited investor references are just "legal technicalities" and Milhaven Group II, LLC has discretion to accept non-accredited investors; and (4) the only remaining risk of the investment is the potential inability to raise sufficient funds for the project, but said risk "is definitely without a doubt not going to happen," which are materially misleading statements because the Offering Documents set forth numerous risks, which could result in the total loss of investor funds including that this is a high risk, speculative offering by a company with no operating history and little management staff whose business plan will place the company in a highly, competitive market and further state the sale of Milhaven Shares are made solely to accredited investors and institutional investors.

CONCLUSIONS OF LAW

1. The above-described Milhaven Shares are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
2. Respondents have made an offer containing a statement that is materially misleading or otherwise likely to deceive the public.
3. Respondents' conduct, acts, and practices threaten immediate and irreparable public harm.
4. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

ORDER

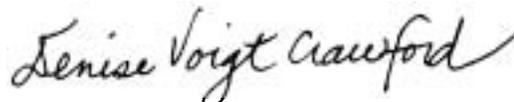
It is therefore ORDERED that Respondents immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$5,000, or imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 17th day of September, 2007.



DENISE VOIGT CRAWFORD
Securities Commissioner