

JOHN MORGAN
SECURITIES COMMISSIONER

RONAK V. PATEL
DEPUTY SECURITIES COMMISSIONER

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

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



Texas State Securities Board

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

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IN THE MATTER OF
CLIFTON CURTIS SNEED, JR.,
DBA THE JOINT VENTURE GROUP,
TOP MONEY EARNERS GROUP,
AND IVAN DICKSON

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Order No. ENF-14-CD0-1737

TO: Clifton Curtis Sneed, Jr., dba The Joint Venture Group
907 Steadman Drive, Cedar Hill, Texas 75104
PO Box 1063, Cedar Hill, Texas 75106

Top Money Earners Group
5257 London Avenue, Rancho Cucamonga, California 91737

Ivan Dickson
5257 London Avenue, Rancho Cucamonga, California 91737
1864 W. Virginia Street, San Bernardino, California 92411

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. arts. 581-1 to 581-43 (West 2010 & Supp. 2014) (the “**Texas Securities Act**”).

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

FINDINGS OF FACT

1. Clifton Curtis Sneed, Jr. (“**Respondent Sneed**”), using the alias “Kaisan” Sneed, is doing business as The Joint Venture Group. He maintains last known addresses at 907 Steadman Drive, Cedar Hill, Texas 75104 and PO Box 1063, Cedar Hill, Texas 75106.
2. Top Money Earners Group (“**Respondent TMEG**”) is a marketing network for The Joint Venture Group. It maintains a last known address at 5257 London Avenue, Rancho Cucamonga, California 91737.

3. Ivan Dickson ("**Respondent Dickson**") is the founder of Respondent TMEG. He maintains last known addresses at 5257 London Avenue, Rancho Cucamonga, California 91737 and 1864 W. Virginia Street, San Bernardino, California 92411.
4. Respondents are offering investments in a binary options trading program (the "**binary option program**") in Texas through webpages that are accessible by the public at www.thejointventuregroup.com and www.topmoneymoneyearnersgroup.com. Respondent TMEG is also advertising the binary option program through an online advertisement accessible by the public through www.craigslislist.org.
5. Respondents are describing the binary option program by representing the following:
 - a. The investor pays a one-time membership fee of \$20,000.00 to become a member of The Joint Venture Group.
 - b. Once the membership fee has been paid, Respondents direct the investor to a proprietary trading platform for the investor to deposit a minimum of \$5,000.00 to establish his or her trading account.
 - c. Professional traders will buy and sell binary options in the investor's account. They will receive up to a 25% commission for conducting the trades on the investor's account, while the investor is not required to do anything other than watch their account grow and compound on a daily basis.
 - d. The professional traders have an average of 87% success rate on trades.
 - e. The investor's account balance is expected to increase tenfold within one year.
 - f. Respondents guarantee that the investor's initial opening account deposit will double within 90 days of the initial deposit or Respondent Sneed will refund between 100% and 200% of the investor's membership fee.
 - g. The investor's account will be insured up to \$250,000.00.
 - h. The return provided to investors should allow them to retire in as little as two years.
6. The investments in the binary option program have not been registered by qualification, notification or coordination, and no permit has been granted for their sale in Texas.
7. Respondents have not been registered with the Securities Commissioner as dealers or agents at any time material hereto.

8. Rule 506 of Regulation D under the Securities Act of 1933 authorizes an issuer to engage in general solicitation in offering and selling covered securities without first complying with state securities registration requirements, provided that, among other things, all purchasers of the securities are accredited investors and the issuer takes reasonable steps to verify that such purchasers are accredited investors.
9. Respondents are offering the binary option program to purchasers who are not accredited investors. Respondents are not taking reasonable steps to verify that all purchasers are accredited investors.
10. In connection with the offer of the aforementioned investments, Respondents are intentionally failing to disclose material facts, including, but not limited to, the following:
 - a. The identity of the professional traders who will manage investor accounts in the binary option program.
 - b. Information related to the traders' qualifications and business reputes and profits paid to previous investors.
 - c. The identity of the party insuring the investor accounts and the terms and conditions of the insurance.
 - d. Information reflecting available assets or money that will be used to satisfy Respondents' obligation to repay investors between 100% and 200% of their membership fee.
11. In connection with the offer of the aforementioned investments, Respondent Sneed is intentionally failing to disclose material facts, including, but not limited to, the following:
 - a. Respondent Sneed is misrepresenting his true identity to investors by using the name "Kaisan" Sneed in offering materials and webinars.
 - b. On or about April 3, 2006, the Division of Securities of the Department of Commerce of the State of Utah issued an Order to Show Cause to Respondent Sneed styled In the Matter of Sneed Financial Service, LLC; Clifton Curtis Sneed; Unlimited Cash, Inc.; Wayne Douglas Flesher; Douglas Network Enterprises; and Nancy Carol Khalial; Docket Nos. SD-06-0015, SD-06-0016, SD-06-0017, SD-06-0018, SD-06-0019, SD-06-0020. The Order to Show Cause alleged that Respondent Sneed committed securities fraud, sold unregistered securities and offered and sold securities without a license, all in violation of the Utah Uniform Securities Act. Thereafter:

- i. On or about March 30, 2007, Respondent Sneed entered into a Stipulation and Consent Order with the Division of Securities of the Department of Commerce of the State of Utah.
 - ii. In the Order, Respondent Sneed admitted to the substance of the Division of Securities' investigative conclusions and admitted that the Division of Securities had evidence supporting their findings, including, but not limited to:
 1. Respondent Sneed falsely told investors that there was no risk involved with the underlying investment program, the investment program provided a guaranteed return and that the investment was 100% secured when, in fact, the investment involved had a high degree of risk and Respondent Sneed had no reasonable basis on which to make such representations.
 2. Respondent Sneed told investors that he had invested \$200,000.00 of his own money in the securities, which was not true.
 3. Respondent Sneed told investors that they needed to act quickly because the SEC was changing tax laws that would affect the tax rate investors would pay on the security, which was not true.
 4. Respondent Sneed failed to disclose that almost all funds received from new investors were not used to further the underlying investment but were instead used to pay agent commissions and to pay prior investors.
 - iii. Pursuant to the Order, Respondent Sneed was ordered to cease and desist from engaging in any further conduct in violation of the Utah Securities Act and to pay a \$92,000.00 fine to the Division of Securities. The amount of the fine was ordered to be reduced, dollar for dollar, by any restitution paid by Respondent Sneed within 3 years of the resolution in an associated criminal case, State of Utah vs. Curtis Clifton Sneed, Case No. 06-1902181-FS.
- c. On or about March 30, 2006, the Utah Attorney General's Office filed a Criminal Information and an Affidavit of Probable Cause in State of Utah vs. Curtis Clifton Sneed, Case No. 06-1902181-FS, in The Third Judicial Court in and for Salt Lake County, State of Utah. The information and affidavit alleged that Respondent Sneed had committed securities fraud, abuse, neglect, or exploitation of a vulnerable adult, offer or sale of an

unregistered security and sales by an unlicensed broker-dealer or agent. Thereafter:

- i. On or about February 16, 2007, Respondent Sneed pled guilty to one count of felony securities fraud in the third degree, one count of felony sale of an unregistered security in the third degree and one count of felony sale by an unregistered securities agent in the third degree.
 - ii. On or about March 30, 2007, Respondent Sneed was sentenced to serve 5 years probation and was ordered to pay restitution in the amount of \$92,000.00 plus interest.
 - iii. As of December 4, 2014, the outstanding balance of restitution was \$125,946.00.
- d. On or about April 3, 2006, the Securities and Exchange Commission filed a civil complaint in Securities and Exchange Commission vs. Unlimited Cash, Inc., Douglas Network Enterprises, Wayne Douglas Flesher, Nancy Carol Khaliel, Sneed Financial Service, LLC, and Clifton Curtis Sneed, Jr., Civil Action No. 3:06-CV-0594-K, in the United States District Court, Northern District of Texas, Dallas Division. The complaint alleged that Respondent Sneed had violated the Securities Act of 1933 and the Securities Exchange Act of 1934 by operating a fraudulent investment scheme. Thereafter:
- i. On or about November 13, 2007, Respondent Sneed consented to the entry of a final judgment with the Securities and Exchange Commission.
 - ii. Respondent Sneed was found liable for disgorgement of \$1,232,635.15 and prejudgment interest in the amount of \$159,080.68, for a total of \$1,391,715.83.
 - iii. Respondent Sneed was permanently restrained and enjoined from committing fraud in connection with the offer or sale of any security.
12. Respondents are making offers containing statements that are materially misleading or otherwise likely to deceive the public, to wit:
- a. Respondents are representing that they will pay commissions to persons who refer investors, which is materially misleading or otherwise likely to deceive the public because Respondents are not disclosing that the Texas Securities Act requires registration of a person who engages in any act by which a sale is made unless the transaction is exempt under The Securities Act or regulations promulgated thereunder.

- b. Respondents require investors to execute a contract that waives causes of action based on any inaccurate representation, breach of warranty or loss of property, among other things, which is materially misleading or otherwise likely to deceive the public because the Texas Securities Act provides that a condition, stipulation or provision binding a buyer or seller of a security to waive compliance with the statute, its rules or requirements is void.
 - c. Respondents are touting the profitability of the binary option trading program by claiming that investors' initial deposit will double within 90 days or their membership fees will be refunded, which is materially misleading or otherwise likely to deceive the public because written offering materials include a disclaimer that acknowledges significant risks associated with the investment.
13. Respondent Sneed is making offers containing statements that are materially misleading or otherwise likely to deceive the public by telling investors that the professional options traders have an average of 87% success rate on trades and that investors can expect to retire in as little as 2 years when the written offering materials include a disclaimer that states that "[a]ny income claims are typical of top performers [sic] not all users and your results will vary."
14. Respondent Sneed is making offers containing statements that are materially misleading or otherwise likely to deceive the public by directing investors to deposit funds into a bank account under his control and not telling investors that:
- a. On or about April 30, 2007, the Department of the Treasury, Internal Revenue Service, filed a Notice of Federal Tax Lien against Respondent Sneed,
 - b. The Notice of Federal Tax Lien provided notice that taxes, interest and penalties were assessed against Respondent Sneed and that the unpaid balance of the assessment was \$530,322.96,
 - c. The United States has placed a lien on all property and all rights to property belonging to Respondent Sneed for \$530,322.96 and all additional penalties, interest, and costs that may accrue, and
 - d. At all times material hereto, the lien has been in force and effect.

CONCLUSIONS OF LAW

1. The above-described investments are "securities" as that term is defined by Section 4.A of the Texas Securities Act.

2. Respondents are violating Section 7 of the Texas Securities Act by offering securities for sale in Texas at a time when the securities are not registered with the Securities Commissioner.
3. Respondents are violating Section 12 of the Texas Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Texas Securities Act.
4. Respondents are engaging in fraud in connection with the offer for sale of securities.
5. Respondents are making offers containing statements that are materially misleading or otherwise likely to deceive the public.
6. Respondents' conduct, acts, and practices threaten immediate and irreparable public harm.
7. 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

1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from acting as securities dealers or agents in Texas until Respondents are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Texas Securities Act.
3. It is further ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
4. It is further 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 11th day of December, 2014.


JOHN MORGAN
Securities Commissioner