

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

SECURITIES AND EXCHANGE COMMISSION,
Plaintiff,
v.
KEVIN L. JEFFERSON,
Defendant.

Civil Action No.: 3:25-cv-2635
Jury Trial Demanded

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

Plaintiff Securities and Exchange Commission (the “Commission”) alleges as follows:

I. INTRODUCTION

1. From at least January 2023 through December 2023 (the “relevant period”), Kevin L. Jefferson (“Jefferson” or “Defendant”) conducted a fraudulent, unregistered offering involving membership interests in his Cashflow Creation Club (“CCC”), an investment vehicle in which Jefferson supposedly opened leveraged foreign currency exchange (“Forex”) trading accounts for investors and traded on their behalf. Jefferson raised over \$1,000,000 from at least 67 individuals, mostly unaccredited and unsophisticated investors, and including more than ten seniors over the age of 65, and many from the African American community.

2. In connection with the offering, Jefferson made material misrepresentations about his business experience and prior investment success, as well as false projections of profitability of the investment opportunity. In promotional videos, podcasts, in-person meetings and through a network of sales agents, Jefferson told investors that a \$10,000 to \$15,000 CCC membership entitled investors to a \$200,000 account balance in a Forex trading account – that Jefferson

would trade on the investor's behalf – and that Jefferson could generate 3-5% monthly returns and quadruple their money within a year through Forex currency trading.

3. In truth, the \$200,000 balance appeared in accounts that allowed for simulated, not live trading, thus the \$200,000 did not constitute real funds. Additionally, none of Jefferson's personal investments – or those of CCC members – ever achieved profits anywhere near the 3-5% monthly returns Jefferson touted to investors.

4. Jefferson also misused investor funds and failed to disclose that most of the funds were not used for investment related purposes. Instead, Jefferson pooled investor funds into brokerage and bank accounts under his control, and used the vast majority (nearly 85%) of those funds to pay sales commissions to others he hired, and for his own personal expenses, such as jewelry, clothing, and personal travel. Jefferson continued to reassure CCC members that their Forex accounts would soon begin turning profits, even as he knew he was incapable of providing the promised returns. Despite Jefferson's repeated promises and excuses, nearly every investor lost the entirety of their investment.

5. As a result of the conduct alleged in this Complaint, Defendant violated Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)], Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], and Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)].

6. Unless enjoined, Defendant will continue to violate the federal securities laws. Among other relief, the SEC seeks permanent injunctions, disgorgement with prejudgment interest and a civil penalty against Defendant.

II. DEFENDANT

7. Jefferson, age 51, resides in Dallas, Texas. Jefferson was previously registered with the Commission, as a registered representative and investment adviser representative, and associated with several broker-dealers and registered investment advisers from 2002 through 2008. Jefferson was the subject of a 2008 cease-and-desist order issued by the Alabama Securities Commission for selling unregistered investments involving viatical settlement contracts. *See In re Lakeside Equity Partners Inc et al.*, ASC Administrative Order No. CD-2008-0031 (October 9, 2008).

III. RELATED ENTITY

8. Nu-Sun Global, Inc. (d/b/a FollowMyTrades.com) (“Nu-Sun”) is an inactive (administrative dissolved) Wyoming corporation, which was solely owned and operated by Jefferson. Nu-Sun’s name appears on a bank account into which Jefferson directed investors to deposit funds after Jefferson’s personal brokerage account was closed. Jefferson has signatory authority over Nu-Sun’s bank accounts.

IV. JURISDICTION AND VENUE

9. This Court has jurisdiction over this action pursuant to Sections 20(b), 20(d)(1), and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b), 77t(d)(1), and 77v(a)] and Sections 21(d), 21(e), and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), and 78aa].

10. Venue is proper in this District pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)] and Section 27(a) of the Exchange Act [15 U.S.C. § 78aa(a)] because certain of the transactions, acts, practices, and courses of business alleged in this Complaint occurred in this District. In addition, venue is proper in this District because Defendant resides, conducts business, and maintains a principal place of business within the District.

11. Defendant has, directly and indirectly, made use of the means or instrumentalities of interstate commerce, of the mails, and/or of the means and instruments of transportation or communication in interstate commerce in connection with the transactions, acts, practices, and courses of business alleged in this Complaint.

V. DEFENDANT'S ACTS IN VIOLATION OF THE SECURITIES LAWS

A. Defendant's Unregistered Offering and Investment Program

12. Starting in at least January 2023, Jefferson offered and sold securities in the form of investment contracts to 67 investors residing across 18 states—including 18 investors in the Northern District of Texas – raising over \$1,000,000.

(i) The CCC Forex Trading Program

13. Jefferson promoted himself as the “Managing Director of Global Markets” for Nu-Sun and an expert Forex currency trader. Forex traders buy and sell currencies through Forex transactions based on how they expect currency exchange rates will fluctuate. Forex traders earn profits when the value of one currency rises relative to another if they purchased the appreciating currency or suffer losses if they sold the appreciating currency. In promoting the Forex offering, Jefferson also emphasized his prior experience as a registered representative, as well as his undergraduate degree from West Point to establish credibility with investors.

14. Jefferson offered investors the opportunity to invest in a “Done-For-You” Forex trading program he called the CCC, in which he purportedly made Forex trades on an investor’s behalf without any substantive participation from the investor. While Jefferson offered prospective investors access to the educational materials for his Done-For-You program, he explained in one promotional podcast appearance that he did not “expect [investors] to be

engaged, so [he] just charge[d] them their membership fee.” The CCC was Jefferson’s name for the Done-For-You program.

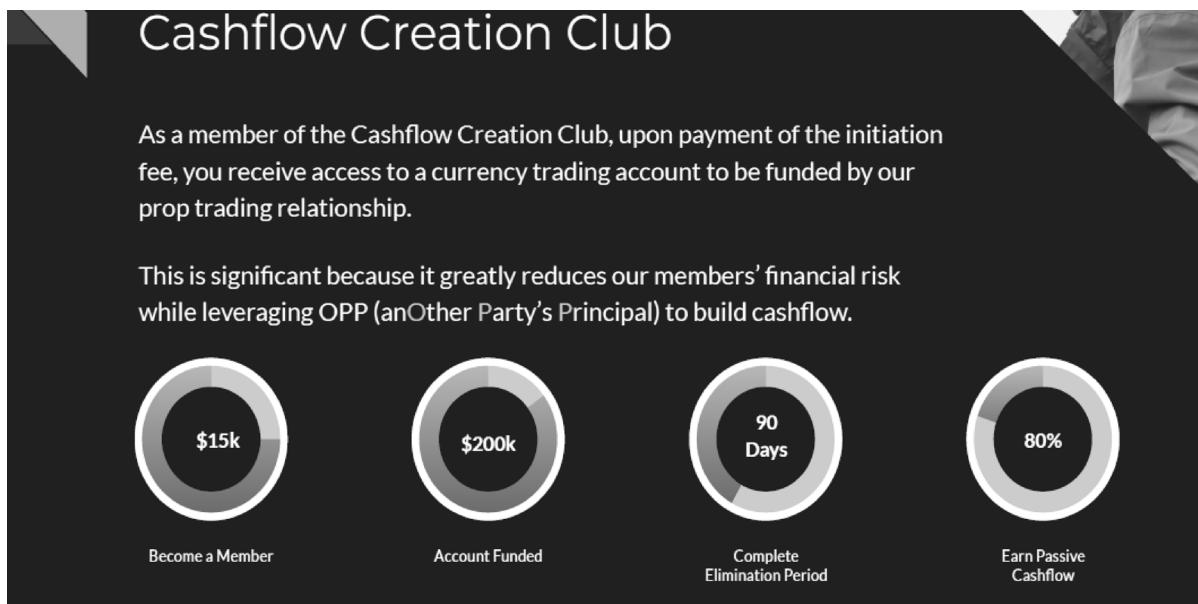
15. Jefferson solicited investors to purchase CCC membership interests between approximately \$10,000 and \$25,000. Jefferson also represented to investors that they would earn 3%-5% per month from his Forex trading.

16. During the relevant period, Jefferson operated the CCC through the trading platform of an unaffiliated, London-based third-party trading firm (“Proprietary Trading Firm”), which advertised its service as a “proprietary funded trading model.” The Proprietary Trading Firm required payment of a \$999 evaluation fee, which granted the account holder access to a *simulated* trading environment *and a notional principal amount* of \$200,000 with which to trade. If an account holder succeeded in growing the simulated principal by 10% or more (before losing 10% or more), the Proprietary Trading Firm would ostensibly upgrade the account to one that participated in a *live trading* environment with the option to withdraw available profits after the proprietary trading firm took its cut. If the account holder failed the evaluation phase in the simulated environment, he/she had the option to restart the evaluation for an additional reset fee of \$799.

17. Jefferson told prospective investors they would need to open a trading account with the Proprietary Trading Firm to allow Jefferson to trade in the investor’s account. Jefferson claimed that he would first demonstrate to the Proprietary Trading Firm that he had skilled trading capabilities and could earn money trading. The Proprietary Trading Firm would keep 20% of the trading profits and the investor would retain 80% of the profits.

18. Jefferson sent interested prospective investors a link to a registration and payment form on his website, FMTrades.com, where an on-site link used a payment processing system to deposit funds directly into Jefferson's accounts—initially his personal account at a broker-dealer and subsequently a business checking account in Nu-Sun's name—commingling pooled investor proceeds with personal funds. Additionally, Jefferson directed some investors to send wire transfers or deposit checks into his personal or Nu-Sun's bank accounts.

19. Although individual investors' CCC membership interests were not memorialized in writing, Jefferson outlined the general terms of the investment in presentations to prospective investors including providing investors "access to a currency trading account . . . upon payment of an initiation fee" as shown in the following pitch deck:



Excerpt from Jefferson's investor pitch deck for the CCC

20. Jefferson directed each CCC investor to register for his/her own account at the Proprietary Trading Firm, and then provide the login credentials to Jefferson to facilitate his trading of the simulated accounts. While investors could view the trading in their simulated

accounts, they did not make any trades of their own but relied instead on Jefferson and his professed Forex expertise to make the trades for them.

21. In certain instances, many investors' funds were pooled with other investors' capital for Jefferson to trade Forex and return profits to them on a pro rata basis.

22. The membership interests in CCC that Jefferson offered and sold are investment contracts under *SEC v. W.J. Howey Co.*, 328 U.S. 293, 298-99 (1946), and are therefore securities within the meaning of the Securities Act and the Exchange Act. With respect to these investments, there was (a) an investment of money; (b) in a common enterprise; (c) based on the expectation of profits to be derived from the entrepreneurial or managerial efforts of others. Investors looked solely to Jefferson to produce returns based upon his alleged Forex trading expertise, and Jefferson's assurance that he could generate 3%-5% per month in investors' accounts opened with the Proprietary Trading Firm.

(ii) Solicitation of Investors

23. Jefferson used his networking connections with local businesses, accountants, realtors, podcasters and motivational speakers, focusing primarily within the African American entrepreneurial community, first in Texas, and then expanding nationwide through word-of-mouth referral business.

24. In addition to personally soliciting investors, Jefferson also retained sales agents who solicited investors. Jefferson and his sales agents typically solicited investors by video conference or other seminars, and after investors transmitted funds, Jefferson communicated with them by telephone, Zoom, or email.

25. Jefferson also recruited existing investors to become his or CCC's sales agents and recruit new investors in exchange for a commission. At least one sales agent attended

Jefferson's investor presentations to vouch for the purported investment, answer questions, and describe the investment opportunity to prospective investors.

26. Jefferson solicited unsophisticated investors, including more than ten investors over the age of 65, who had little-to-no experience with Forex trading. Neither Jefferson nor the sales agents he employed asked investors about their net worth or financial or securities-related sophistication.

27. In the course of the offering, Jefferson, without registering as a broker-dealer or associating with or acting under the supervision of a registered broker-dealer, actively solicited and located investors, handled customer funds and securities, provided marketing materials to prospective investors, and advised investors on the merits of the investment. As a result, Jefferson was operating as an unregistered securities dealer.

B. Defendant's False and Misleading Statements to Investors

28. Jefferson made a series of false and misleading statements to investors and prospective investors in promotional videos, podcasts, YouTube videos, Zoom presentations, and one-on-one investor meetings concerning the CCC investment opportunity's profitability and guaranteed returns, his own past investment results, and the use of investor funds.

(i) Misrepresentations About Profitability and Guaranteed Returns

29. During the relevant period, Jefferson made misrepresentations and omissions to investors and prospective investors about the profitability of the CCC investment opportunity and guaranteed returns on their investment.

30. Jefferson told investors that a \$15,000 investment in a CCC membership entitled the investor to an account with a principal value of \$200,000. He claimed that investors should begin to see profits from their membership within 90 days of the investment.

31. Jefferson further told investors they should expect 3-5% monthly returns of approximately \$6,000 per month and expect to grow those monthly returns up to approximately \$83,000 by the end of the year. For example, in several promotional videos, Jefferson claimed, “you can become a millionaire in a relatively short period of time,” and stated that investors should double or triple their investment every year.

32. These representations were false. In truth, Jefferson was making Forex trades in *simulated* accounts in the names of investors that reflected a \$200,000 balance for *simulated* trading. This amount therefore did not represent real funds that could be withdrawn by Jefferson or the investor.

33. Additionally, Jefferson did not successfully conduct profitable Forex trades in a live trading environment on behalf of investors.

(ii) Misrepresentations About Past Investment Results

34. Jefferson misrepresented his past investment performance to investors. Without basis, on a publicly available video on FMTrades.com, Jefferson advertised his trading program, claiming that it produced “110.84% return on cash flow in 2020,” and “in one week of trading, [he] created over \$85,000 in profits.”

35. On a podcast appearance, Jefferson misleadingly claimed that his “worst performance since ’21 when I started the Cashflow program at all was 21.48%.”

36. Jefferson also distributed written materials to prospective investors which showed ten consecutive quarters with investment returns exceeding 10%.

37. In reality, Jefferson’s success rate on his Forex trading in investors’ accounts was so poor that almost every investor failed to profit at all, let alone achieve Jefferson’s projected levels of monthly income. Despite his unprofitable track record early in the offering period in

existing investors' accounts, Jefferson knowingly continued to offer prospective CCC members an investment backed by his expertise.

(iii) Misrepresentations About the Use of Investor Funds

38. During the relevant period, Jefferson raised over \$1,000,000 from investors purportedly for his CCC investment opportunity. While Jefferson used approximately \$170,000 of investor funds towards purported investment-related expenses, he diverted the vast majority of investor funds to pay undisclosed sales commissions to sales agents and for his own personal expenses:

USE OF INVESTOR FUNDS	APPROX. AMOUNT
Commissions to sales agents	\$275,000
Transfers to Jefferson's other personal bank accounts	\$175,000
Non-invested related categories (e.g., home improvement, auto, and transfer to others via payment systems)	\$150,000
Travel expenses (e.g., flights and hotel accommodations)	\$85,000
Cash withdrawals	\$50,000
Jewelry	\$35,000
Restaurants/Bars	\$30,000
Entertainment	\$18,000
Clothing/Apparel	\$12,000
TOTAL	\$830,000

39. Jefferson failed to disclose to investors that most of their funds would not be used to conduct Forex trading, but instead, used to pay undisclosed commissions to sales agents. Jefferson also failed to disclose that he used over \$555,000 to pay personal expenses, all of which impacted investors' ability to receive the promised return on their investments. To date, Jefferson has not returned any investor funds.

40. Jefferson's misrepresentations and omissions to investors regarding the CCC investment opportunity's profitability and guaranteed returns, and misrepresentations and omissions about his past investment results and the misuse of investor funds were material.

Reasonable investors would find it important that Jefferson was not conducting Forex trading in live accounts but rather in simulated accounts, and that the \$200,000 depicted on their respective accounts were not real funds or returns; that Jefferson's trading record was poor and that Jefferson had not achieved the promised profits on behalf of investors; and that Jefferson used investor funds for other than the stated purpose.

41. Jefferson knew or was severely reckless in not knowing that the representations he made to investors and prospective investors about the CCC investment opportunity's profitability and guaranteed returns as well as his past trading success were false, misleading, and omitted material information. Jefferson also knew or was severely reckless in not knowing that the representations he made to investors about the use of investor funds were false, misleading, and omitted material information.

VI. CLAIMS FOR RELIEF

COUNT I

Violations of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)]
and Rule 10b-5(a) Thereunder [17 C.F.R. § 240.10b-5(a)]

42. Plaintiff repeats and incorporates by reference Paragraphs 1 through 41 of this Complaint as if set forth verbatim herein.

43. By engaging in the conduct described above, Defendant directly or indirectly, singly or in concert with others, by the use of any means or instrumentality of interstate commerce, or the mails, knowingly or with severe recklessness employed a device, scheme, or artifice to defraud in connection with the purchase or sale of any security.

44. By reason of the foregoing, Defendant has violated, and unless enjoined, is reasonably likely to continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5(a) Thereunder [17 C.F.R. § 240.10b-5(a)].

COUNT II

Violations of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)]
and Rule 10b-5(b) Thereunder [17 C.F.R. § 240.10b-5(b)]

45. Plaintiff repeats and incorporates by reference Paragraphs 1 through 41 of this Complaint as if set forth verbatim herein.

46. By engaging in the conduct described above, Defendant directly or indirectly, singly or in concert with others, by the use of any means or instrumentality of interstate commerce, or the mails, knowingly or with severe recklessness made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in connection with the purchase or sale of any security.

47. By reason of the foregoing, Defendant has violated, and unless enjoined, is reasonably likely to continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5(b) Thereunder [17 C.F.R. § 240.10b-5(b)].

COUNT III

Violations of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)]
and Rule 10b-5(c) Thereunder [17 C.F.R. § 240.10b-5(c)]

48. Plaintiff repeats and incorporates by reference Paragraphs 1 through 41 of this Complaint as if set forth verbatim herein.

49. By engaging in the conduct described above, Defendant directly or indirectly, singly or in concert with others, by the use of any means or instrumentality of interstate commerce, or the mails, knowingly or with severe recklessness engaged in acts, practices, and courses of business which have operated, are now operating, or will operate as a fraud or deceit upon any person, in connection with the purchase or sale of any security.

50. By reason of the foregoing, Defendant has violated, and unless enjoined, is reasonably likely to continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5(c) Thereunder [17 C.F.R. § 240.10b-5(c)].

COUNT IV

Violations of Section 17(a)(1) of the Securities Act [15 U.S.C. § 77q(a)(1)]

51. Plaintiff repeats and incorporates by reference Paragraphs 1 through 41 of this Complaint as if set forth verbatim herein.

52. By engaging in the conduct described above, Defendant directly or indirectly, singly or in concert with others, in the offer or sale of securities, by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, knowingly or with severe recklessness employed devices, schemes, or artifices to defraud.

53. By reason of the foregoing, Defendant has violated, and unless enjoined, is reasonably likely to continue to violate, Section 17(a)(1) of the Securities Act [15 U.S.C. § 77q(a)(1)].

COUNT V

Violations of Section 17(a)(2) of the Securities Act [15 U.S.C. § 77q(a)(2)]

54. Plaintiff repeats and incorporates by reference Paragraphs 1 through 41 of this Complaint as if set forth verbatim herein.

55. By engaging in the conduct described above, Defendant directly or indirectly, singly or in concert with others, in the offer or sale of securities, by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, knowingly, with severe recklessness, or negligently obtained money or property by means of

untrue statements of material facts or omissions to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

56. By reason of the foregoing, Defendant has violated, and unless enjoined, is reasonably likely to continue to violate, Section 17(a)(2) of the Securities Act [15 U.S.C. § 77q(a)(2)].

COUNT VI

Violations of Section 17(a)(3) of the Securities Act [15 U.S.C. § 77q(a)(3)]

57. Plaintiff repeats and incorporates by reference Paragraphs 1 through 41 of this Complaint as if set forth verbatim herein.

58. By engaging in the conduct described above, Defendant directly or indirectly, singly or in concert with others, in the offer or sale of securities, by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, knowingly, with severe recklessness, or negligently engaged in transactions, practices, or courses of business which have operated, are now operating, or will operate as a fraud or deceit upon the purchasers.

59. By reason of the foregoing, Defendant has violated, and unless enjoined, is reasonably likely to continue to violate, Section 17(a)(3) of the Securities Act [15 U.S.C. § 77q(a)(3)].

COUNT VII

Violations of Sections 5(a) and 5(c) of the Securities Act
[15 U.S.C. §§ 77e(a) and 77e(c)]

60. Plaintiff repeats and incorporates by reference Paragraphs 1 through 41 of this Complaint as if set forth verbatim herein.

61. By engaging in the conduct described above, Defendant directly or indirectly, singly or in concert with others:

- a. made use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell a security, through the use or medium of any prospectus or otherwise, without a registration statement in effect as to such security; and/or
- b. carried or caused to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale, without a registration statement in effect as to such security; and/or
- c. made use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise, any security without a registration statement having been filed.

62. By reason of the foregoing, Defendant has violated, and unless enjoined, is reasonably likely to continue to violate, Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and 77e(c)].

COUNT VIII

Violations of Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)]

63. Plaintiff repeats and incorporates by reference Paragraphs 1 through 41 of this Complaint as if set forth verbatim herein.

64. By engaging in the conduct described above, Defendant acted as a broker within the meaning of Section 3(a)(4) of the Exchange Act [15 U.S.C. § 78c(4)], and made use of the mails or any means or instrumentality of interstate commerce to effect transactions in, or to induce or attempt to induce the purchase or sale of, a security without being registered with the Commission as a broker or dealer or as an associated person of a registered broker or dealer, in accordance with Section 15(b) of the Exchange Act.

65. By reason of the foregoing, Defendant has violated, and unless enjoined, is reasonably likely to continue to violate, Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)].

VII. PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that the Court find that Defendant committed the violations of the federal securities laws alleged in the Complaint, and:

A. Permanent Injunction

Permanently enjoin Defendant from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)], Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], and Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)].

B. Conduct-Based Injunction

Permanently enjoin Defendant from directly or indirectly, including, but not limited to,

through any entity owned or controlled by him, participating in the issuance, purchase, offer, or sale of any security, provided, however, that such injunction shall not prevent him from purchasing or selling securities for his own personal account.

C. Broker Dealer Injunction

Permanently enjoin Defendant from directly or indirectly acting as or being associated with any broker or dealer. For purposes of this injunction, a person is associated with a broker or dealer if such person is a partner, officer, director, or branch manager of such broker or dealer (or occupies a similar status or performs similar functions), directly or indirectly controls or is controlled by, or is under common control with, such broker or dealer, or is an employee of such broker or dealer.

D. Disgorgement and Prejudgment Interest

Order Defendant to disgorge all ill-gotten gains or proceeds received, with prejudgment interest thereon, resulting from the conduct alleged in this Complaint, pursuant to Sections 21(d)(3), 21(d)(5), and 21(d)(7) of the Exchange Act [15 U.S.C. §§ 78u(d)(3), 78u(d)(5), and 78u(d)(7)].

E. Civil Penalty

Order Defendant to pay a civil penalty, pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)].

F. Further Relief

Grant such other and further relief as the Court may deem just, equitable, and proper.

G. Retention of Jurisdiction

Further, the Commission respectfully requests that the Court retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that it may enter, or

to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

Dated: September 29, 2025.

Respectfully submitted,

/s/Keefe M. Bernstein

Keefe M. Bernstein
Texas Bar No. 24006839
Securities and Exchange Commission
801 Cherry Street, Suite 1900
Fort Worth, Texas 76102
(817) 900-2607
(817) 978-4927 (facsimile)
berNSTEINK@sec.gov

Counsel for Plaintiff
Securities and Exchange Commission

Of Counsel:

Pascale, Guerrier, Esq.
Senior Trial Counsel
Florida Bar No.: 22590
Telephone: (305) 982-6301
Email: guerrierp@sec.gov

Dan Cristol, Esq.
Counsel
Securities and Exchange Commission
801 Brickell Avenue, Suite 1950
Miami, Florida 33131
Telephone: (305) 416-6263