

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 72827 / August 12, 2014

INVESTMENT COMPANY ACT OF 1940
Release No. 31208 / August 12, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-16012

In the Matter of

FRED GOLT,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
AND CEASE-AND-DESIST PROCEEDINGS
PURSUANT TO SECTIONS 15(b) AND 21C
OF THE SECURITIES EXCHANGE ACT OF
1934 AND SECTION 9(b) OF THE
INVESTMENT COMPANY ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS AND A CEASE-
AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 9(b) of the Investment Company Act of 1940 (“Investment Company Act”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section Sections 15(b) and 21C of the Securities Exchange Act of 1934 and Section 9(b) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that

Summary

These proceedings arise out of the Respondent's actions as an unregistered broker. During the relevant period, Golt participated in the solicitation of investors by hiring, training and supervising sales people, and received transaction-based compensation related to the offer and sale of securities in the form of investment contracts offered by Mutual Entertainment, LLC. Golt's conduct violated Section 15(a) of the Exchange Act.

Respondent

1. Fred Golt was the sole owner and operator of Mutual Entertainment Ventures, Inc., which has never been registered with the Commission as a broker or dealer. Golt has never been registered with the Commission as a broker or dealer, and he has never been associated with a registered broker or dealer. Golt, age 51, is a resident of Pebble Beach, California.

Other Relevant Entities

2. Mutual Entertainment Ventures, Inc. ("MEV") was a California corporation formed on September 21, 2010 and headquartered in Aptos, California. It is now dissolved.

3. Mutual Entertainment, LLC ("Mutual Entertainment") was a California limited liability company formed on December 16, 2010 and headquartered in Beverly Hills, California. Mutual Entertainment, LLC merged with Film Shoot, LLC in March 2012 and ceased operations shortly thereafter.

Background

4. From April 2011 through February 2012 (the "Relevant Period"), Mutual Entertainment issued securities in the form of investment contracts used to finance the production of a feature-length motion picture to be titled "Marcel" after a short story by the same name.

5. In April 2011, Mutual Entertainment commenced to offer and sell up to \$7.5 million of its securities to the public.

¹ The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

6. Mutual Entertainment's fundraising efforts were undertaken by MEV, which Golt owned and operated.

7. As the owner of MEV, Golt hired, trained, and supervised salespeople known as "fronters" and assisted in drafting a sales script that the fronters used. The fronters' job was to make initial contact with prospective investors from lead lists that Respondent and others purchased from lead list brokers. Contact information of potential investors who were interested in purchasing Mutual Entertainment's securities was passed along by the fronters to other salespeople known as "closers." The closers were hired and supervised by other individuals working from a different sales office.

8. Golt, through MEV, received transaction-based compensation totaling \$337,825 from Mutual Entertainment in connection with the offer and sale of Mutual Entertainment securities.

9. Golt, through MEV, used the transaction-based compensation he received to pay the fronters (on an hourly basis) and several closers (on a fixed percentage basis).

10. Although he could have realized substantial personal gain if MEV's operations had been more profitable after payments to sales people and office expenses, Golt's personal financial benefit from his and MEV's sales of Mutual Entertainment securities was negligible.

11. At no time during the Relevant Period was either Golt or MEV registered as or associated with a broker or dealer registered with the Commission.

12. As a result of the conduct described above, Golt willfully violated Section 15(a) of the Exchange Act, which, unless an exception or exemption applies, makes it unlawful for any broker or dealer to make use of the mails or any means or instrumentality of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security, unless such broker or dealer is registered as a broker or dealer or, if a natural person, associated with a registered broker or dealer other than a natural person.

IV.

In view of the foregoing, the Commission deems it appropriate, to impose the sanctions agreed to in Respondent Golt's Offer.

Accordingly, pursuant to Sections 15(b) and 21C of the Exchange Act and Section 9(b) of the Investment Company Act, it is hereby ORDERED that:

A. Respondent Golt shall cease and desist from committing or causing any violations and any future violations of Section 15(a) of the Exchange Act.

B. Respondent Golt be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization;

prohibited from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter; and

barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

C. Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

D. Respondent shall pay a civil money penalty of \$25,000 to the Securities and Exchange Commission. Payment shall be made in the following installments: Respondent Golt shall, within 30 days of the entry of this Order, pay \$7,500. The remaining balance of \$17,500 shall be paid in three (3) equal installments of \$5,833.33 Each installment shall be due within ten (10) days after the end of the quarter for the three (3) quarters following the entry of the Order. If any payment is not made by the date the payment is required by this Order, the entire outstanding balance of civil penalty, plus any additional interest accrued pursuant to 31 U.S.C. 3717, shall be due and payable immediately, without further application. Payment must be made in one of the following ways:

(1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;

(2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or

(3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Fred Golt as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Lorraine Echavarria, Associate Regional Director, Securities and Exchange Commission, 5670 Wilshire Boulevard, Suite 1100, Los Angeles, California 90036.

E. The Division of Enforcement ("Division") may, at any time following the entry of this Order, petition the Commission to: (1) reopen this matter to consider whether Respondent provided accurate and complete financial information at the time such representations were made; and (2) seek an order directing payment of the maximum civil penalty allowable under the law. No other issue shall be considered in connection with this petition other than whether the financial information provided by Respondent was fraudulent, misleading, inaccurate, or incomplete in any material respect. Respondent may not, by way of defense to any such petition: (1) contest the findings in this Order; (2) assert that payment of a penalty should not be ordered; (3) contest the imposition of the maximum penalty allowable under the law; or (4) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

By the Commission.

Jill M. Peterson
Assistant Secretary