

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**  
**Release No. 10422 / September 29, 2017**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 81769 / September 29, 2017**

**INVESTMENT COMPANY ACT OF 1940**  
**Release No. 32844 / September 29, 2017**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18240**

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<b>In the Matter of</b>	:	<b>ORDER INSTITUTING ADMINISTRATIVE</b>
	:	<b>AND CEASE-AND-DESIST PROCEEDINGS</b>
	:	<b>PURSUANT TO SECTION 8A OF THE</b>
	:	<b>SECURITIES ACT OF 1933, SECTIONS 15(b)</b>
	:	<b>AND 21C OF THE SECURITIES</b>
<b>Daniel C. Caravette,</b>	:	<b>EXCHANGE ACT OF 1934, AND SECTION</b>
<b>Respondent.</b>	:	<b>9(b) OF THE INVESTMENT COMPANY</b>
	:	<b>ACT OF 1940, MAKING FINDINGS, AND</b>
	:	<b>IMPOSING REMEDIAL SANCTIONS AND</b>
	:	<b>A CEASE-AND-DESIST ORDER</b>
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**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 Section 8A of the Securities Act of 1933 (“Securities Act”), 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”) against Daniel C. Caravette (“Respondent”).

**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 8A of the Securities Act of 1933, 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 this basis of this Order and Respondent’s Offer, the Commission finds<sup>1</sup> that:

#### **Summary**

This matter concerns Respondent’s violations of the broker-dealer and registration provisions of the federal securities laws. Respondent offered and sold securities in at least two companies to customers and potential customers. However, Respondent was not registered with the Commission as a broker-dealer or associated with a registered broker-dealer. In addition, he sold unregistered securities that were not subject to any exemption from registration. Accordingly, Respondent violated Section 15(a)(1) of the Exchange Act and Sections 5(a) and 5(c) of the Securities Act.

#### **Respondent**

1. Daniel C. Caravette, age 44, is a resident of Saint Charles, Illinois. From 1997 to 2000, he was employed by several registered broker-dealers. At the time of the conduct set forth below, he was not associated with a registered broker-dealer. Caravette worked as a consultant for Accelera Innovations, Inc. from August of 2013 to July of 2015 and as a consultant for Advantameds Solutions, Inc. from November of 2014 to July of 2015.

#### **Other Relevant Entities**

2. Accelera Innovations, Inc. (“Accelera”) is a Delaware corporation based in Frankfort, Illinois. The company now claims to be “a healthcare service company which is focused on acquiring companies primarily in the post-acute care patient services and information technology services industries.” The chairman of the Accelera board is Geoffrey Thompson. Its common stock has been quoted over the counter on the OTCQB marketplace since January 2015.

3. Advantameds Solutions, Inc. (“Advantameds”) is a Vancouver, British Columbia, corporation that purports to be involved in medical marijuana production, distribution, infusion, research, and testing in North America. Geoffrey Thompson is also the founder of Advantameds.

4. Synergistic Holdings, LLC (“Synergistic”) is a privately-held company organized under the laws of Illinois. Synergistic was the majority shareholder of Accelera common stock from June of 2011 until 2015. Synergistic is owned and controlled by Geoffrey Thompson and his wife, Nancy.

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<sup>1</sup> 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.

## **Background**

5. From about August of 2013 until about April of 2015, Respondent solicited investors to purchase securities of two companies, Accelera and Advantameds.

6. During this period of time, Respondent was not registered as a broker-dealer, nor was he associated with a registered broker-dealer.

7. Respondent entered into a consulting agreement with Accelera on August 12, 2013 (the "Accelera Consulting Agreement"). Under the Accelera Consulting Agreement, Respondent was tasked with assisting Accelera in raising capital. In exchange, Respondent was to receive from Accelera commissions on a sliding scale, ranging from 15% to 21% of the funds that he brought in. In addition, Respondent was to receive shares of Accelera common stock equal to the number of shares he sold.

8. Between August of 2013 and February of 2015, Respondent was responsible for selling 473,500 shares of Accelera stock to approximately 30 investors for a total of \$1,047,180.

9. Under the terms of the Accelera Consulting Agreement, Respondent was to have received 473,500 shares of Accelera common stock and \$185,576 in commissions. Respondent actually received 532,500 shares of Accelera common stock and \$163,687.85.

10. Caravette solicited investors for Accelera using e-mail and his personal cell phone. He conveyed information and transmitted documents regarding Accelera and its securities that were provided to him by Accelera officers and employees.

11. Respondent instructed Accelera investors to fill out a subscription agreement that he provided to them. The investors would then mail the completed subscription agreement, along with a check, to Caravette. Caravette would then deposit the checks into an account designated by Accelera and transmit the subscription agreements to Accelera.

12. The Accelera stock that Caravette sold was not registered with the SEC and was not subject to any applicable exemption from registration.

13. In November of 2014, Respondent entered into a consulting agreement with Advantameds (the "Advantameds Consulting Agreement"). Under the Advantameds Consulting Agreement, Respondent was tasked with assisting Advantameds in raising capital. In exchange, Respondent was to receive from Advantameds a commission of 21% of the funds that he brought in. In addition, Respondent was to receive 2 shares of Advantameds stock for each dollar he raised for Advantameds.

14. Respondent solicited investors for Advantameds using e-mail and his personal cell phone. He conveyed information and transmitted documents regarding Advantameds and its securities that were provided to him by Advantameds officers and employees.

15. Between September of 2014 and April of 2015, Respondent was responsible for selling 1,269,500 shares of Advantameds stock for a total of \$397,925. The Advantameds stock was owned by Synergistic.

16. Under the terms of the Advantameds Consulting Agreement, Respondent earned 795,850 shares of Advantameds stock and \$83,564.25 in commissions. Respondent actually received no shares of stock and \$55,000.

17. As a result of the conduct described above, Respondent willfully violated Section 5(a) of the Securities Act, which prohibits the direct or indirect sale of securities through the mail or interstate commerce unless a registration statement has been filed and is in effect, and Section 5(c) of the Securities Act, which prohibits the offer to sell or offer to buy securities through the mail or interstate commerce unless a registration statement has been filed.

18. As a result of the conduct described above, Respondent willfully violated Section 15(a)(1) of the Exchange Act, which makes it unlawful for any broker or dealer to make use of the mails or other means or instrumentalities of interstate commerce to effect transactions in, or to induce or attempt to induce the purchase or sale of, any securities unless such broker or dealer is registered with the Commission in accordance with Section 15(b) of the Exchange Act, or in the case of a natural person, is associated with a registered broker-dealer.

#### IV.

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

Accordingly, pursuant to Section 8A of the Securities Act, 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 cease and desist from committing or causing any violations and any future violations of Section 15(a)(1) of the Exchange Act or Sections 5(a) or 5(c) of the Securities Act;

B. Respondent Caravette 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,

with the right to apply for reentry after three (3) years to the appropriate self-regulatory organization, or if there is none, to the Commission.

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, no later than December 15, 2017, pay disgorgement of \$243,322.13, prejudgment interest of \$24,392.65, and a civil money penalty in the amount of \$40,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment of disgorgement and prejudgment interest is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600, and if timely payment of the civil money penalty is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

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 Daniel C. Caravette 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 Robert J. Burson, Associate Regional Director, United States Securities and Exchange Commission, 175 West Jackson Boulevard, Suite 1450, Chicago, IL 60604.

E. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil

penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

**V.**

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Brent J. Fields  
Secretary