

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 82821 / March 7, 2018**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18391**

**In the Matter of**

**ERIC LOVY f/k/a ERIC  
BELTRAN,**

**Respondent.**

**ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS  
PURSUANT TO SECTION 15(b) OF THE  
SECURITIES EXCHANGE ACT OF 1934,  
MAKING FINDINGS, AND IMPOSING  
REMEDIAL SANCTIONS**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Eric Lovy f/k/a Eric Beltran (“Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (“Offer”) that 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 and the findings contained in paragraphs III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

### III.

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

1. Respondent acted as an unregistered broker from approximately January 2013 through September 2014. Respondent, 45 years old, is a resident of Huntington Beach, California.
2. On March 2, 2018, a judgment was entered by consent against Respondent, permanently enjoining him from future violations of Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act"), and Section 15(a) of the Exchange Act, and further enjoining him from future violations of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Dedicated Sound and Audio, Inc., et al., Civil Action Number CV-18-00323-AG-AGR<sub>x</sub>, in the United States District Court for the Central District of California.
3. The Commission's complaint alleges that Respondent aided and abetted co-defendants Dedicated Sound and Audio, Inc.'s ("DSA") and Steven Ventre's ("Ventre") violations of the antifraud provisions of the federal securities laws by providing substantial assistance in making misrepresentations concerning the payment of commissions and the use of registered broker-dealers in the course of DSA's securities offerings. More specifically, the complaint alleges that DSA and Ventre represented, both orally and in a private placement memorandum provided to prospective investors, that a sales commission of no more than 15% would be paid to "licensed broker/dealers and other qualified personnel." The complaint further alleges that Choice Equity, which Respondent controls, was paid more than \$1.5 million of the roughly \$4.65 million DSA raised from investors, and further, that Respondent was not registered as a broker-dealer or associated with a registered broker-dealer. The complaint further alleges that Respondent played a significant role in drafting DSA's private placement memorandum that contained the misrepresentations, and that he knew that Choice Equity was receiving substantially more than the 15% commissions represented in the private placement memorandum. The complaint also alleges that Respondent willfully aided and abetted DSA's and Ventre's violations of the federal securities laws. The complaint also alleges that Respondent participated in an unregistered offering of DSA's securities, and that he acted as an unregistered broker in connection with the DSA securities offerings.

### 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, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent 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; and

Pursuant to Section 15(b)(6) of the Exchange Act that Respondent be, and hereby is 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.

Any reapplication for association by 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.

By the Commission.

Brent J. Fields  
Secretary