

OFFICE OF THE SECRETARY OF STATE
SECURITIES DIVISION
2250 LAS VEGAS BOULEVARD NORTH, SUITE 400
NORTH LAS VEGAS, NEVADA 89030

In the Matter of:)
)
MICHAEL CLOUGH, an Individual, and)
MICHAEL CLOUGH doing business as)
SPORTS BET BROKERS, MICHAEL)
CLOUGH doing business as SPORT)
BROKERS, MICHAEL CLOUGH doing)
business as SPORTIVO, and CIRCLES)
NETWORK, LLC,)
Respondents.)

**FINAL ORDER TO CEASE AND
DESIST AND REVOCATION OF
STATUTORY REGISTRATION
EXEMPTIONS**

File No. INV20-039

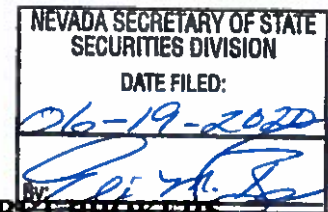
TO: MICHAEL CLOUGH
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

MICHAEL CLOUGH, doing business as SPORTS BET BROKERS
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

MICHAEL CLOUGH, doing business as SPORT BROKERS
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

MICHAEL CLOUGH, doing business as SPORTIVO
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

CIRCLES NETWORK, LLC
c/o Michael Clough its Resident Agent
9625 W. Russell Road, # 1029
Las Vegas, NV 89148



WHEREAS, the Securities Division of the Office of the Nevada Secretary of State ("Division") duly served by certified mail on April 13, 2020, a copy of the Notice of Summary Order to Cease and Desist Pursuant to NRS 90.630 and Opportunity for Hearing Pursuant to NRS 90.630(3) and Summary Order ("Summary Order") filed on April 8, 2020 and attached hereto and incorporated by reference, upon Michael Clough, Michael Clough doing business as Sports Bet Brokers, Michael

1 Clough doing business as Sport Brokers, Michael Clough doing business as Sportivo, and Circles
2 Network, LLC ("Respondents");

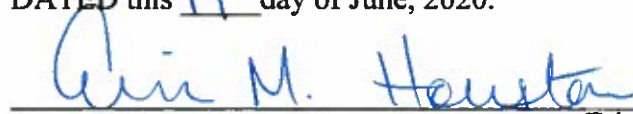
3 **WHEREAS**, Respondents were also emailed the Cease and Desist Order on April 14, 2020;
4 and

5 **WHEREAS**, Respondents, and each of them, failed to request a hearing within forty-five
6 (45) days after the Summary Order was mailed by certified mail to the last known address of
7 Respondents as provided in NRS 90.800.

8 **GOOD CAUSE APPEARING THEREFORE**, the Administrator of the Division, pursuant
9 to the authority set forth in NRS 90.630 and NRS 90.800, hereby makes permanent the Summary
10 Order attached hereto and incorporated by reference.

11 **IT IS SO ORDERED.**

12 DATED this 19th day of June, 2020.

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Erin M. Houston, Esq.
Securities Administrator

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CERTIFICATE OF MAILING

I certify that I am an employee of the Office of the Nevada Secretary of State and that on this 19th day of June, 2020, I have caused a copy of the foregoing **FINAL ORDER TO CEASE AND DESIST**, to be served by United States Certified Mail, Return Receipt Requested, and First Class Mail, to the following:

MICHAEL CLOUGH
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

MICHAEL CLOUGH, doing business as SPORTS BET BROKERS
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Las Vegas, NV 89148

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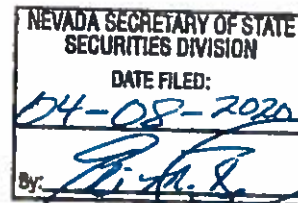

Employee of the Nevada Securities Division

STATE OF NEVADA
OFFICE OF THE SECRETARY OF STATE
SECURITIES DIVISION
2250 LAS VEGAS BOULEVARD NORTH, SUITE 400
NORTH LAS VEGAS, NEVADA 89030

In the Matter of:

MICHAEL CLOUGH, an Individual, and
MICHAEL CLOUGH doing business as
SPORTS BET BROKERS, MICHAEL
CLOUGH doing business as SPORT
BROKERS, MICHAEL CLOUGH doing
business as SPORTIVO, and CIRCLES
NETWORK, LLC,
Respondents.

File No. INV20-039



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NOTICE OF SUMMARY ORDER TO CEASE AND DESIST,
INTENDED ACTION PURSUANT TO NRS 90.630(2),
AND OPPORTUNITY FOR HEARING PURSUANT TO NRS 90.630(3)

YOU ARE HEREBY NOTIFIED that pursuant to the legal authority granted the Administrator of the Securities Division of the Office of the Secretary of State, State of Nevada ("Administrator"), specifically Nevada Revised Statute ("NRS") 90.630, the Administrator hereby

1 issues this SUMMARY ORDER TO CEASE AND DESIST to MICHAEL CLOUGH, an individual,
2 MICHAEL CLOUGH, doing business as SPORTS BET BROKERS, SPORT BROKERS, and
3 SPORTIVO (all referred to as "Clough").

4 **YOU ARE HEREBY FURTHER NOTIFIED** that you have a right to request a hearing on
5 the matters set forth in the Summary Order to Cease and Desist. If you do not request a hearing in
6 writing within 45 days after receipt of this notice, you waive your right to a hearing and the
7 Administrator may issue a permanent order. Should you request a hearing, the Administrator shall
8 set the matter for hearing at her earliest convenience but not less than 15 days or more than 60 days
9 after she receives written notice of that request for a hearing. Should you request a hearing, the
10 Administrator will notify you by registered or certified mail of the time and place set for the hearing.

11 **YOU ARE HEREBY FURTHER NOTIFIED** that the Securities Division, in addition to
12 seeking a Final Order to Cease and Desist, may also seek any of the sanctions allowed pursuant to
13 NRS 90.630, and may seek to hold Respondents liable for the costs of the investigation in this matter
14 if this matter should proceed to hearing. The Nevada Securities Division does not waive the right to
15 seek criminal prosecution pursuant to 90.650.

16 **YOU ARE HEREBY FURTHER NOTIFIED:**

17 **NRS 90.650, Criminal penalties.**

18 1. A person who willfully violates:

- 19 (a) A provision of this chapter, except NRS 90.600, or who violates NRS 90.600 knowing
20 that the statement made is false or misleading in any material respect;
21 (b) A regulation adopted pursuant to this chapter; or
22 (c) An order denying, suspending or revoking the effectiveness of registration or an order to
23 cease and desist issued by the Administrator pursuant to this chapter,

24 ☐ is guilty of a category B felony and shall be punished by imprisonment in the state prison for a
25 minimum term of not less than 1 year and a maximum term of not more than 20 years, or by a fine
26 of not more than \$500,000, or by both fine and imprisonment, for each violation. In addition to
27 any other penalty, the court shall order the person to pay restitution and may order the person to
28 repay the costs of investigation and prosecution incurred by the Division and the Office of the
Attorney General. If the violation was committed against an older person or vulnerable person,
any restitution and costs of investigation and prosecution imposed by the court must be in an
amount equal to twice the amount that would otherwise have been imposed by the court. Money
recovered for reimbursement of the costs of investigation and prosecution must be deposited in
the State General Fund for credit to the Secretary of State's Operating General Fund Budget
Account.

2. A person convicted of violating a regulation or order under this chapter may be fined, but must
not be imprisoned, if the person proves lack of knowledge of the regulation or order.

- 1 3. This chapter does not limit the power of the State to punish a person for conduct which constitutes
2 a crime under other law.

3 DATED this 8th day of April, 2020.

4 NEVADA SECURITIES DIVISION
5 OFFICE OF THE SECRETARY OF STATE

6
7 /s/Erin M. Houston
8 ERIN M. HOUSTON, ADMINISTRATOR
9 DEPUTY SECRETARY OF STATE FOR SECURITIES

10
11 **SUMMARY ORDER TO CEASE AND DESIST**

12 1. The Securities Division of the Office of the Secretary of State, State of Nevada
13 ("Division"), under the authority of the Nevada Uniform Securities Act ("Act"), codified in Chapter
14 90 of the NRS, has conducted and is continuing to conduct an investigation into the activities of
15 Respondents in connection with the applicable laws governing the registration of securities and the
16 regulation of broker-dealers and investment advisers in the State of Nevada.

17 2. The Administrator is authorized to enter a Summary Order to Cease and Desist
18 pursuant to NRS 90.630.

19 3. The Administrator has reviewed the Complaint for Summary Order and Final Order
20 to Cease and Desist and Other Appropriate Relief ("Complaint") filed on April 8, 2020, against
21 Respondents in the above-entitled matter. A copy of the Complaint is attached hereto and
22 incorporated herein by reference.

23 4. The factual allegations of the Complaint are accepted as true for the limited purposes
24 of this Summary Order to Cease and Desist and are hereby incorporated herein by reference.

25 **FINDINGS OF FACT**

26 5. For the limited purpose of this Summary Order to Cease and Desist, the Administrator
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1 accepts all factual allegations set forth in the Complaint as true and finds that a Summary Order to
2 Cease and Desist is in the public interest and necessary to protect the public from potential financial
3 harm.

4 CONCLUSIONS OF LAW

5 6. The promissory notes, convertible notes and shares being offered by Respondents are
6 not registered with the Division, are not exempt from registration with the Division, and/or are not
7 federally covered securities.

8 7. Respondents have violated and continue to violate NRS 90.310 by acting as a broker-
9 dealer and Respondent Michael Clough, by acting as a sales representative, without being licensed
10 by the Division.

11 8. Respondents have violated and continue to violate NRS 90.460 by offering to sell and
12 selling securities that are not registered with the Division, are not exempt from registration with the
13 Division, and/or are not federally-covered securities.

14 SUMMARY ORDER

15 Based upon the foregoing Findings of Fact and Conclusions of Law, and the Administrator's
16 findings that Respondents pose an immediate danger to the public welfare because Respondents are
17 actively engaging in violations of the Act and appear to intend to violate said Act in the future,
18 MICHAEL CLOUGH, individually and as a representative of SPORTS BET BROKERS, SPORT
19 BROKERS, SPORTIVO or CIRCLES NETWORK, LLC and each of the foregoing companies, is
20 hereby ordered to immediately Cease and Desist from further activities in violation of the Act,
21 including but not limited to offering for sale unregistered securities, acting as a sales representative
22 or agent of the issuer without being licensed.

23 Further, based upon the foregoing Findings of Fact and Conclusions of Law, and the
24 Administrator's findings the Respondents pose an immediate danger to the public welfare, the
25 Administrator revokes registration exemptions set forth in NRS 90.530(10) and NRS 90.530(11)
26 regarding any security including investment contracts, stocks or other interests in entities, convertible
27 notes and promissory notes, sold by Clough individually or as a representative of SPORTS BET
28

1 BROKERS, SPORT BROKERS, SPORTIVO and CIRCLES NETWORK, LLC, and to be issued or
2 issued by any of the companies.

3 This Summary Order to Cease and Desist is effective immediately upon signing.

4 IT IS SO ORDERED.

5 DATED this 8TH day of APRIL, 2020.

6
7 NEVADA SECURITIES DIVISION
8 OFFICE OF THE SECRETARY OF STATE

9
10 Erin M. Houston
11 ERIN M. HOUSTON, ADMINISTRATOR
12 DEPUTY SECRETARY OF STATE FOR SECURITIES
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CERTIFICATE OF MAILING

I certify that I am an employee of the Securities Division of the Office of the Secretary of State, State of Nevada, and that on this 13th day of April, 2020, I have caused a true and correct copy of the foregoing Summary Order to Cease and Desist to be served by United States Certified Mail, Return Receipt Requested, and First Class Mail, to the following:

MICHAEL CLOUGH
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

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Employee of the Nevada Securities Division

**2250 LAS VEGAS BOULEVARD NORTH, SUITE 400
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**MICHAEL CLOUGH, an individual,
MICHAEL CLOUGH, doing business as
SPORTS BET BROKERS, MICHAEL
CLOUGH, doing business as SPORT
BROKERS, MICHAEL CLOUGH, doing
business as SPORTIVO, and
CIRCLES NETWORK, LLC,
Respondents.**

NEVADA SECRETARY OF STATE
SECURITIES DIVISION
DATE FILED:
04-08-2020
By: *[Signature]*

CIRCLES NETWORK, LLC
c/o Michael Clough its Resident Agent
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

COMES NOW, the Securities Division of the Office of the Secretary of State, State of Nevada ("Division"), and for its complaint against the above-named Respondents for violations of the Nevada

1 Uniform Securities Act, as codified in Chapter 90 of the Nevada Revised Statutes, alleges on
2 information and belief unless otherwise set forth, as follows:

3
4 **PARTIES**

5 1. Respondent MICHAEL CLOUGH is an individual who has and is operating various
6 sports betting funds from the State of Nevada, under the names of SPORTS BET BROKERS,
7 SPORT BROKERS, SPORTIVO and CIRCLES NETWORK, LLC. (MICHAEL CLOUGH,
8 SPORTS BET BROKERS, SPORT BROKER and SPORTIVO collectively referred to as
9 "Clough"). (Respondent CIRCLES NETWORK, LLC, referred to as "Circles")

10 2. Michael Clough was a resident of Nevada at all times relevant.

11 3. Clough has operated and maintained businesses in Nevada utilizing the following
12 domain names or names, which are not legally formed entities:

- 13 a. Book32.com
14 b. Sports Bet Brokers
15 c. Sport Brokers
16 d. Sportivo

17 4. Based upon the records maintained by the Nevada Secretary of State's Commercial
18 Recordings Division, on or about July 30, 2014 Respondent Clough caused the
19 domestic limited liability entity Circles Network, LLC to be formed in the State of
20 Nevada.

21 **FACTUAL BACKGROUND**

22 5. Clough sent information to prospective investors in Nevada and California, which
23 included an offer to sell a promissory note and participate in a sports betting pool. Respondent
24 Michael Clough set out in a letter that he would personally communicate with each investor.

25 6. Clough included the following description of the Sports Bet Brokers business:

26 Sports Bet Brokers uses a "POOL" of investor money to take advantage
27 of the high returns successful sports wagering offers. We take an
28 original approach to handicapping sporting events. We don't handicap
individual games. We handicap the entire sports betting marketplace.

1 We use research methods and tools typically used in the financial
2 markets. We use these proven economic models to pinpoint value and
3 locate profitable betting opportunities in the sports betting marketplace.
4 Our sports handicapping betting systems produce winning results and
5 have averaged over 60% winners in the previous 30 years. Our
6 program allows even a novice investor to reap the benefits of successful
7 sports handicapping.

8 There is no set minimum. This is a way to diversify your investments,
9 while enjoying the entertainment of sporting events. Although it is not
10 necessary, many people find it fun and enjoyable to follow the games.

11 7. Clough directed potential investors "to sign up":

12 You "the investor", will deposit your desired investment. You will be
13 given a username and password so you can monitor the daily wagers
14 made from the pool, in real time. You can track your investment just
15 as simply as you would track a mutual fund, via an easy-to-use website.
16 The amount of these individual wagers will be roughly 5% of the
17 account balance. Commissions are only charged on net profits and only
18 applied at the time of an investor withdrawal.

19 8. The letter also made the following claims:

20 Because we are utilizing a pool, we have one account to trade instead of
21 dozens, allowing us more time for analyzing the sports markets and honing
22 in on the best opportunities for gain.

23 The pool's performance over the last 12 months is blowing away everyone's
24 expectations!

25 Although past performance is no guarantee of future results, the edge over
26 our competitors in both performance and operational professionalism is
27 undeniable. We don't rely on hunches or make trades based solely on
28 emotion; Instead, we use the same techniques that are so common amongst
professionals traders and hedge funds: in-depth analysis and due diligence,
risk management, and strong operational controls.

9. On or about March 1, 2018, Confidential Investor #1 ("CI#1") invested \$ 1,000.00 in
a \$100,000.00 pool. In return CI#1 was sent both a confirmation of his investment and a "Sport Bet
Pool Promissory Note" that set forth that the investor would receive principal and 50% of all net
profits equal to their shares in 90 days. The note also provided that the investor would receive shares

1 equal to the amount of their investment. Mike Clough was identified as the "broker". At the bottom
2 of the promissory note is the following:

3 Mike Clough
4 Circles Network
5 CEO/Founder
6 XXX-XXX-9977

7 10. Respondent Michael Clough caused Circles Network, LLC to become organized on or
8 about July 30, 2014, and was listed as the resident agent and a manager of that business.

9 11. CI#1 was also given the domain name of www.Book32.com, a username and a
10 password to access the site. For approximately 6 months CI#1 accessed the site with a username
11 and password, and purportedly watched as the proceeds grew from \$100,000 to almost \$500,000.

12 12. On or about September 2018 daily updates ceased, the site was closed and the
13 username and password were no longer providing access to the fund.

14 13. After multiple requests, CI#1 was promised by Respondent Michael Clough that he
15 would receive his original investment amount, but the promise was not kept.

16 14. Clough also provided a document to investors under the name "SportBrokers" which
17 set out that "Sport Brokers is looking to raise \$1Million for general operations and platform
18 technology, UI integration, marketing and user acquisition up through launch and prior to the Series
19 A round." The document also set out the following:

20 INVESTMENT – AND ROI Sport Brokers is seeking investment of 1 Million in the
21 form of convertible notes for operating and marketing costs up to and through launch.
22 The notes contain an ROI of 12 % on the total funds invested up to the time the investor
23 may execute the option to convert to equity shares at a 25% discount in the Series A
24 round, expected to be within the first year after launch.

25 ...

26 INVESTMENT OFFER SPORT Brokers is offering this investment opportunity as
27 convertible notes with an option to retain a convertible note offered at 12% interest
28 including a 25% discount per share at conversion scheduled in approximately 6-10
months after launch; with a valuation for investors estimated at 20 to 50X the original
investment value.

1 15. According to the SportBrokers documents provided to investors, SportBrokers is a
2 company that is building a Peer-to-Peer sports game that allows individuals to pick actual sport teams
3 in competitions, potentially winning points that convert to "SportBUCKS" and can be turned into
4 prizes such as cars, travel tickets and gear. The documents set out that three different levels of play
5 would be allowed, and those that play on the third level would play for cash.

6 16. Clough touted Respondent Michael Clough's "30" years of experience, and his success
7 with a business named Citysavers in the printed information regarding SportBrokers provided to
8 CI#1. The documents failed to include the material information that Clough had a felony conviction
9 for Forgery and that Citysavers.net, LLC had filed a lawsuit against Michael Clough alleging he
10 misappropriated funds during the time he managed that company, and that Citysavers.net, LLC had
11 only received a portion of the alleged missing funds back from Respondent Michael Clough at the
12 time the complaint was filed.

13 17. Based upon Respondent Michael Clough's Facebook page, and a Linkedin page,
14 Respondent Michael Clough is holding himself out as the Chief Information Officer and founder of
15 Sportivo since July 2019. The Linkedin page sets out that the business of Sportivo includes an
16 "Alternative Investment Hedge Fund including sports gaming".

17 18. According to records maintained by the Division, Respondent Michael Clough is not
18 licensed with the Division as a sales representative of a broker/dealer or issuer.

19 19. Clough did not disclose the fact that Michael Clough was required to be licensed by
20 the Nevada Securities Division, and was not, to CI#1 or to other investors whom Clough solicited.

21 20. According to records maintained by the Division, neither Clough nor Circles has ever
22 filed an application for the registration of securities or a notice of exemption from registration with
23 the Division.

24 21. Based upon a review of the Edgar database maintained by the Securities and Exchange
25 Commission, no Form D or other notice filing or registration was completed by any Respondent.

26 22. Respondents did not disclose to CI#1 or to other investors whom Clough solicited, the
27 fact that the security was required to be registered or exempt and it was not.
28

23. According to records maintained by the Nevada Gaming Commission, CG Technology is the only sportsbook in the State of Nevada that has ever been approved by the Nevada Gaming Commission to accept entity wagering.

24. No Respondent has ever been an approved to perform entity wagering with CG Technology, and CG Technology has never accepted entity wagers from any of the Respondents for entity wagering. CG Technology is no longer approved by the Nevada Gaming Commission to accept entity wagering and no other sportsbook has been approved in its stead.

STATUTORY BACKGROUND

25. The Nevada Uniform Securities Act ("Act"), as codified in Chapter 90 of the Nevada Revised Statutes ("NRS") and regulates the offer, sale, and purchase of securities in or from the State of Nevada.

26. NRS 90.295 defines a “security” as:

[A] note, stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in a profit-sharing agreement, a limited partnership interest, an interest in a limited-liability company, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, viatical settlement investment, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in an oil, gas or other mineral lease or in payments out of production of such a lease, right or royalty, a put, call, straddle or option on a security, certificate of deposit or group or index of securities including any interest therein or based on the value of any of the foregoing, or, in general, any interest or instrument commonly known as a security or any certificate of interest or participation in, temporary or interim certificate for, receipt for, whole or partial guarantee of or warrant or right to subscribe to or purchase any of the foregoing.

27. Nevada Administrative Code 90.090 defines an investment contract as follows: 1) any investment in a common enterprise with the expectation of a profit to be derived substantially through the efforts of a promoter or other third party; or 2) any investment by which: (a) an offeree furnishes initial value to an offeror; (b) a portion of this initial value is subjected to the risks of the enterprise; c) the furnishing of the initial value is induced by the offeror's promises or representations which give rise to a reasonable understanding that a valuable benefit of some kind over and above the initial value will accrue to the offeree as a result of the operation of the enterprise; and d) the

1 offeree does not receive the right to exercise the practical or actual control over the managerial
2 decisions of the enterprise.

3 28. Here, CI#1 has invested funds into the purported sports betting fund based on the
4 promises of principal and interest resulting from Clough's alleged use of financial institution
5 strategies and self-described betting expertise.

6 29. NRS 90.280 defines "sale" and "sell" as including "every contract of sale, contract to
7 sell, or other disposition, of a security or interest in a security for value." Additionally, "offer to
8 sell" includes "every attempt or offer to dispose of, or solicitation of an offer to purchase, a security
9 or interest in a security for value."

10 30. NRS 90.255 defines "issuer" as "a person who issues or proposes to issue a security."

11 31. NRS 90.285 defines "sales representative" as "a natural person other than a broker-
12 dealer, authorized to act and acting for a broker-dealer or issuer effecting or attempting to effect
13 purchases or sales of securities."

14 32. NRS 90.220 defines a "broker-dealer" as "any person engaged in the business of
15 effecting transactions in securities for the account of others or for the person's own account."

16 33. As set forth in NRS 90.310, it is a violation of the Act for any person to act as a broker-
17 dealer or sales representative unless licensed or exempt from licensing under the Act; additionally,
18 it is a violation of the Act for any issuer or any licensed broker-dealer to employ or contract with a
19 person as a sales representative unless the sales representative is licensed or exempt from licensing
20 under the Act.

21 34. As set forth in NRS 90.460, it is a violation of the Act for a person to offer to sell or
22 sell any security in this State unless the security is registered or the security or transaction is exempt
23 under the Act.

24 35. As set forth in NRS 90.550, the Administrator by order may deny or revoke an
25 exemption specified in NRS 90.520 or 90.530, with respect to a specific security or transaction.

26 36. As set forth in NRS 90.630(1), if the Administrator of the Division reasonably believes
27 that a security is being offered or has been offered or sold in violation of the Act, or that a person is
28 acting in violation of the Act, the Administrator may issue, without a prior hearing, a Summary Order

1 against the person engaged in the prohibited activities, directing such person to desist and refrain
2 from further activity until the security is registered or such person is licensed under the Act.

3 37. Pursuant to NRS 90.630(2), the Administrator of the Division, after giving notice by
4 registered certified mail and conducting a hearing in an administrative proceeding, unless the right
5 to notice and hearing is waived by the person against whom the sanction is imposed, may: (a) issue
6 an order against the person to cease and desist; (b) censure the person if he or she is a licensed broker-
7 dealer, sales representative, investment adviser or representative of an investment adviser; (c) bar or
8 suspend the person from association with a licensed broker-dealer or investment adviser in this State;
9 (d) issue an order against an applicant, licensed person or other person who willfully violates this
10 chapter, imposing a civil penalty of not more than \$25,000 for each violation, or if the violation was
11 committed against an older person or vulnerable person, a civil penalty equal to twice the amount of
12 the civil penalty that would otherwise have been imposed pursuant to this paragraph, not to exceed
13 \$50,000 for each violation; or (e) initiate one or more of the actions specified in NRS 90.640.

14 38. Pursuant to NRS 90.575, a sales representative of a broker dealer, owe to all investors,
15 including CI#1 a fiduciary duty to act in his best interest.

16 COUNT I

17 (Unlicensed Broker-Dealer and Sales Representative)

18 39. The Division realleges and incorporates by reference paragraphs 1 through 38 above
19 as if set forth fully herein.

20 40. No Respondents are licensed as a broker-dealer with the Division.

21 41. Respondent Michael Clough is not a licensed sales representative with the Division.

22 42. Respondents by engaging in the conduct above, have violated and continue to violate
23 NRS 90.310 by acting as a broker-dealer and Respondent Michael Clough as a sales representative
24 without being licensed by the Division.

25 ///
26 ///
27 ///

COUNT II
(Offer or Sale of Unregistered Securities)

43. The Division realleges and incorporates by reference paragraphs 1 through 42 above as if set forth fully herein.

44. Respondents have not filed an application for the registration of securities or a notice of exemption from registration with the Division for the sale of the securities as described supra.

45. Respondents have violated and continue to violate NRS 90.460 by offering to sell and selling securities that are not registered with the Division, are not exempt from registration with the Division, and/or are not federally-covered securities.

REQUEST FOR RELIEF

Based upon the foregoing, the Division respectfully requests the following:

1. That a Summary Order be entered requiring that each Respondent immediately Cease and Desist from violating the Act;

2. That a Final Order be entered requiring that all Respondents immediately Cease and Desist from violating the Act;

3. That a Civil Penalty not to exceed \$25,000.00 be imposed against each Respondent for each violation of the Act;

4. That a Civil Penalty not to exceed \$50,000.00 be imposed against Respondents for each violation of the Act against an older person or a vulnerable person;

5. That the exemptions from registration set forth in NRS 90.530 be revoked for any note, evidence of indebtedness, investment contract or other security issued by Michael Clough, individually and doing business as Sports Bet Brokers, Sport Brokers, Sportivo, or Circles Network, LLC and/or sold by any Respondent.

6. Reasonable attorney's fees and costs of investigation; and

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7. For such other and further relief as the Hearing Officer deems just and proper.

Dated this 8th day of April, 2020.

Respectfully submitted,

NEVADA SECURITIES DIVISION
OFFICE OF THE SECRETARY OF STATE

/s/ Diana J. Foley

DIANA J. FOLEY
SENIOR CONSULTANT

CERTIFICATE OF MAILING

I certify that I am an employee of the Securities Division of the Office of the Secretary of State, State of Nevada, and that on this 13th day of April, 2020, I have caused a true and correct copy of the foregoing Complaint for Summary and Final Order to Cease and Desist and Other Appropriate Relief to be served by United States Certified Mail, Return Receipt Requested, and First Class Mail, to the following:

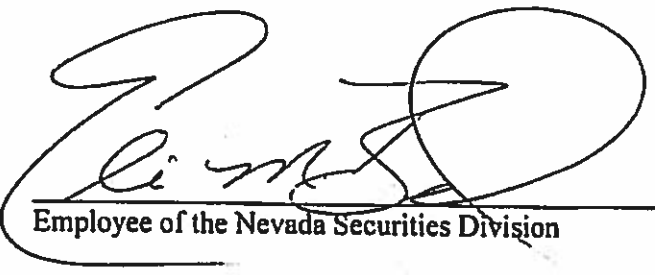
MICHAEL CLOUGH
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

MICHAEL CLOUGH, doing business as SPORTS BET BROKERS
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

MICHAEL CLOUGH, doing business as SPORT BROKERS
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

MICHAEL CLOUGH, doing business as SPORTIVO
9625 W. Russell Road, # 1029
Las Vegas, NV 89148

CIRCLES NETWORK, LLC
c/o Michael Clough its Resident Agent
9625 W. Russell Road, # 1029
Las Vegas, NV 89148



Employee of the Nevada Securities Division