



## **NEWS RELEASE**

**For Immediate Release – September 9, 2010**

CONTACT: Fred Joseph, Securities Commissioner or Gerald Rome, Deputy Securities Commissioner, 303.894.2320

### **Boulder Investment Firm and Its Owner Charged With Securities Law Violations**

#### **Denver District Court Enjoins Securities Law Violations**

Denver, Colorado --- Colorado Securities Commissioner Fred J. Joseph announced today that he has filed a complaint in Denver District Court and obtained a temporary restraining order and asset freeze against Mark Hamilton Yost and his company, Yost, Co., alleging that they are violating the anti-fraud and licensing provisions of the Colorado Securities Act (“Act”). On September 8, 2010, Denver District Court Judge William Hood entered a temporary restraining order, which prohibits the Defendants from offering or selling securities in Colorado and violating the registration, licensing and anti-fraud provisions of the Colorado Securities Act. In addition, Judge Hood entered an order freezing various bank accounts held by Yost and his company.

Yost and his company, Yost, Co., use the business address of 1301 Canyon Blvd., Unit 228, Boulder, CO 80302. Yost was the former chairman of the board of directors of Flatirons Bank in Boulder, CO.

In the complaint, the Commissioner has alleged that Yost and Yost, Co., have defrauded investors in at least one private fund that they control, Yost Partnership, L.P. In the complaint, it is alleged that Yost told investors that the Partnership Fund was making money, when in reality, the Fund earned negative investment returns. Yost also grossly misrepresented to investors the total assets held by the Fund, the individual investors’ current account balances, and the gains and losses on their investments. As of December 31, 2009, Yost claimed that total assets in the Fund to be \$28 million, and that the net increase in net assets from operations for 2009 was \$6.5 million, when, in reality, less than \$20,000 existed in the Fund. Instead, Yost has paid himself excessive fees based on the inflated gains he reported in the Fund. He has used investor funds to pay for his personal expenses, such as paying his insurance on a plane he owns. The complaint also alleges that Yost has paid investment funds to his investors by using funds fraudulently obtained from Flatirons Bank in Boulder, CO.

A copy of the complaint and preliminary injunction can be found at <http://www.dora.state.co.us/securities/enforcement.htm#Injunctions>

*DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.*

//End//