



NEWS RELEASE

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PROMOTER OF PROPOSED PRO BASKETBALL TEAM SANCTIONED BY SECURITIES COMMISSIONER

Denver, Colorado --- Colorado Securities Commissioner Fred Joseph announced today that he has entered a final cease and desist order against a Greeley man for allegedly violating the securities registration provisions of the Colorado Securities Act (“Act”) in connection with the offer of securities in and from Colorado.

Named in the Order is **Patrick A. Kelly**. Mr. Kelly placed advertisements on *Craigslist* for investors in his start-up professional basketball team called the **Colorado Cougars**. Mr. Kelly was seeking investors to finance the business of the Cougars with the plan that the Cougars would join or play in the American Basketball League, a minor league professional basketball league. The advertisements on *Craigslist* included language that Mr. Kelly was looking for a sports minded angel investor for a small short term loan (20% ROI) or partial ownership for the right person.

The Staff alleged that the interests offered by Mr. Kelly are securities and that he failed to register its security offering. By engaging in such conduct, Mr. Kelly was offering and selling securities in violation of §11-51-301 of the Colorado Securities Act. Mr. Kelly, in agreeing to the cease and desist order, neither admitted nor denied the allegations.

The final cease and desist order orders him to immediately cease and desist offering or selling any “security” in or from the State of Colorado, and from otherwise violating the Colorado Securities Act. The order was made final on September 22, 2011.

A copy of the Order can be found at: <http://www.dora.state.co.us/securities/enforcement.htm#CeaseDesist>

The **Colorado Division of Securities** is responsible for the administration and enforcement of the Colorado Securities Act, the Colorado Commodity Code, the Colorado Municipal Bond Supervision Act, and the Local Government Investment Pool Trust Fund Administration and Enforcement Act. The Division licenses and regulates stockbrokers and investment advisers (often referred to as “financial planners”) and the securities investments they offer, sell, and advise about in Colorado. The Division also investigates cases of alleged securities fraud.

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.

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