



NEWS RELEASE

For Immediate Release – June 25, 2009

Contact: Fred J. Joseph, Securities Commissioner or Gerald Rome,
Deputy Securities Commissioner at (303) 894-2320

COSTA RICAN TREE GROWING COMPANY 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 Costa Rican company and its manager for allegedly violating the securities registration provisions of the Colorado Securities Act ("Act") in connection with the offer of securities in Colorado.

Named in the Order are **Finca Leola SA**, and its principal officer and manager, **Fred Morgan**, both of Alajuela, Costa Rica. Named in a separate order is a salesman for Finca Leola, Gregory Fitzpatrick of Boulder, Colorado.

The Staff of the Division of Securities (the "Staff"), which is a division of the Colorado Department of Regulatory Agencies ("DORA"), alleged that Morgan and Fitzpatrick sought investors for their purported reforestation company, Finca Leola. According to the allegations, Respondents were seeking investors to invest in mahogany and teakwood trees. To invest, an investor would purchase a minimum of 100 trees at a price of between \$37.00 and \$45.00 per tree, depending on the species, from Finca Leola. Finca then arranges for the trees to be planted in Costa Rica, grown there, and then harvested. The investor will have title to the trees from the time they are planted in Costa Rica to the time they are harvested, from 12 to 25 years. The investors are not only promised an annual return on their investment, but also to have a socially responsible investment by helping replanting the rain forest.

The Staff alleged that the Respondents failed to register its security offering and, by offering the investment opportunity to the public at large through the use of internet advertising, Respondents were unable to take advantage of any private offering exemption under the Act. "The registration of securities provides important safeguards to the public," said Commissioner Joseph. "It requires promoters to make full and fair disclosure of information about securities offerings available to potential investors and it enables our office to review investment offerings, before they are circulated, for evidence of fraud and other possible violations."

The cease and desist order, which all Respondents agreed to, orders them to immediately and permanently cease and desist offering or selling any unregistered “security” in Finca Leola, or otherwise engaging in conduct in violation of any provision of the Act.

A copy of the Order can be found at:

<http://www.dora.state.co.us/securities/enforcement.htm#CeaseDesist>

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//