



NEWS RELEASE

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AURORA MAN OFFERING STOCK ORDERED TO STOP BY SECURITIES COMMISSIONER

Denver, Colorado --- Colorado Commissioner of Banking and Securities Fred Joseph announced today that he has entered a final cease and desist order against an Aurora man offering stock in his company 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 is **James F. Trenholm** of Aurora, Colorado.

The Staff of the Colorado Division of Securities (the “Staff”) alleged that in March and April of 2011, Trenholm offered stock in his company by advertising on the Internet site known as “Craigslist.” According to the ad, the stock offered was in the form of “shares” in a new Denver based business that purportedly services medical marijuana centers. Trenholm offered to sell 43 shares in his business by touting that it would be able to do over \$10 million in sales in the first 2 years. Trenholm was asking for investments of \$17,337.00 for each share.

The Staff alleged that Trenholm failed to register his security offering and, by offering the investment opportunity to the public at large through the use of advertisements on “Craigslist” and the internet, he was unable to take advantage of any private offering exemption under the Act. Commissioner Joseph cautioned investors about buying into the latest fad or unknown companies with no proven track record.

The cease and desist order, which Trenholm agreed to, orders him to immediately and permanently cease and desist offering or selling any “security” in or from the State of Colorado in violation of the anti-fraud, registration and licensing provisions of the Act or otherwise engaging in conduct in violation of any provision of the Act.

*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 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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