



COLORADO

**Department of
Regulatory Agencies**

Division of Securities

Tung Chan, Colorado Securities Commissioner

Minutes of the Colorado Securities Board Meeting Thursday, June 16, 2022

Due to COVID-19, the meeting was held virtually through Google Meet. The meeting was called to order at 9:00 a.m. by Chairperson Nilsa Mahon. Additional Board members in attendance were Vice Chair Keith Olivia, Nicolas Budor, and Rikard Lundberg. Division of Securities staff members present were Securities Commissioner Tung Chan, Deputy Commissioner David Cheval, and Program Assistant Shiela Gowan. Senior Assistant Attorney General Jody Haskins was also in attendance.

1. Approval of Previous Meeting Minutes

- Chair Mahon asked for a motion to approve the minutes from the March 24, 2022, meeting. Rikard Lundberg moved to approve the minutes and Keith Olivia seconded the motion. The Board voted unanimously to approve the March 24, 2022, meeting minutes.

2. Report on Division Activities

Commissioner Chan provided a brief overview of Division activities over the last quarter:

- Commissioner Chan thanked Nilsa Mahon for service as a Board member and Chair and thanked her for applying for a second term.
- Larry Reifurth resigned and moved to Arizona. The Division thanked him for his service and wished him well. Commissioner Chan mentioned that there was a vacancy that would be filled.
- The Division is about to hire two new investigators. There will be additional staff vacancies and the announcements will be circulated to Board members.
- Return to office date is still being evaluated by the Department. Commissioner Chan will let the Board know of a return to office date.

- Commissioner Chan confirmed that a grant was awarded from the Investor Protection Trust (IPT), for \$120,000 to the University of Colorado Boulder (CU) for a collaborative project with the Division. The Division will be working with CU to put together a public service announcement campaign targeting the new investors. The market has been flooded with the new investors attracted to invest through the ease of fintech and the fintech products.

The campaign will have some social media, outdoor ads, TikTok, Instagram, Twitter and QR codes. This is first in the nation for a campaign focused on these investors and using TikTok and Instagram and avenues of communication popular with the demographic. We hope to show more of the CU Boulder Project in the September meeting.

- Commissioner Chan attended the North American Securities Administrators Association (NASAA) Spring Conference and Annual Policy Meeting with the Securities and Exchange Commission (SEC) and Board of Trustees meeting for IPT in Washington, D.C. all in one trip. Key topics at the SEC meeting were the ongoing Best Interest standard, continuing education requirements, new investment adviser marketing rule, and new proposal on Environmental, Social and Governance (ESG). The SEC is increasing enforcement of Fintech and will be hiring 20 new hires.

Chief Investigator Jon Block and Chief Examiner Jeffrey Eaby were unavailable to attend today's meeting. Deputy Commissioner David Cheval provided an update on the enforcement and examination section.

Update on Enforcement Section:

- Regarding Retire Happy LLC and four other defendants, the Division filed a complaint in October seeking injunctive relief. Three of the four defendants failed to answer and on April 1, 2022, the Judge issued an order granting entry of default on the three defendants.
- James Chevarria was charged on February 19, 2021, with six counts of securities fraud. On May 6, 2022, Chevarria pleaded guilty on one count of securities fraud. The remaining counts were dismissed. Chevarria is scheduled to be sentenced in Jefferson County District Court on September 19, 2022.

- On March 1, 2022, the Division filed a complaint alleging that Mr. David M. Anthony committed securities fraud and other violations. In April 2022, the Denver District Court issued a preliminary restraining order and an asset freeze on Anthony Capital, LLC, and David M. Anthony and numerous other entities controlled by Mr. Anthony.

On May 9, the same court ordered the appointment of a receiver. The appointed receiver, Randall Lewis, is now directed and empowered to take immediate control and possession of the assets to protect and preserve the estate for the benefit of creditors and others.

- The Division currently has three openings for investigators.

Update on the Examination Section:

- Examination section for the fiscal year 2022: The Division closed 105 exams, including compliance reviews of new firms, cause examinations, and local government investment pools.

3. Other Business

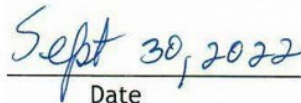
- None

4. Schedule Date and Time for Next Meeting

- Next scheduled meeting is September 22, 2022, at 9:00 a.m. Virtual Google meeting to be held.

The meeting was adjourned at 9:49 a.m.


Chair


Date