



COLORADO

Department of
Regulatory Agencies

Division of Securities

Tung Chan, Securities Commissioner

Minutes of the Colorado Securities Board Meeting Thursday, September 9, 2021

Due to COVID-19, the meeting was held virtually through Google Meet. The meeting was called to order at 9:03 a.m. by Vice Chairperson Nilsa Mahon. Additional Board members in attendance were Keith Olivia, Nicolas Budor, Lawrence Reifurth and Rikard Lundberg.

Division of Securities staff members present were Securities Commissioner Tung Chan, Deputy Commissioner David Cheval, Chief Examiner Jeffrey Eaby and Program Assistant Shiela Gowan. Attorney General staff members Adjudicatory Counsel Sue Kim, Assistant Attorney General India Kidd-Aaron and Senior Paralegal Sarah Bomgardner were also in attendance.

The first item was to elect Board Chairperson and Vice Chairperson. Nilsa Mahon nominated Keith Olivia as chair and Keith Olivia nominated Nilsa Mahon. Rikard Lundberg seconded both nominations. Board members voted unanimously for Nilsa Mahon to be Chairperson and Keith Olivia Vice Chairperson.

1. Approval of Previous Board Meeting Minutes

- Nilsa Mahon asked for a motion to approve the minutes from the June 3, 2021, meeting. Keith Olivia moved to approve the minutes. Nic Budor seconded the motion. The board voted unanimously to approve the June 3, 2021, meeting minutes.

2. Introduction of new board member and reappointment: Commissioner Tung Chan

- The Commissioner welcomed newly appointed board member Nicolas Budor and noted the reappointment of Keith Olivia. She thanked them for their service and noted that they should have state email addresses for Board matters and that the Attorney Generals would be providing further detailed information on board policies and procedures later in the meeting. The board members provided a brief summary of each individual's background.

3. Report on Division activities

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

- In the HEI and Heartland Energy case, briefing before the Colorado Supreme Court is nearing completion.
- The division currently has four vacancies: Two investigators and two examiners.

Deputy Commissioner Cheval provided an update on the enforcement section:

- In June, Andrew Thacker was convicted in Eagle County of two counts Securities Fraud. Sentencing is scheduled on September 13, 2021. Case was brought by the Attorney General's Office. Jon Block was the investigator.
- Neil Maxwell, a licensed Investment Adviser and Investment Adviser Representative, pleaded guilty to one count of securities fraud. Maxwell was sentenced to 10 years economic crime probation with a six-year Department of Corrections suspended sentence. Maxwell also was ordered to pay restitution. The case was brought by the Attorney General's Office.
- Tyler Tysdal and co-conspirator Grant Carter pleaded guilty to one count of securities fraud on June 24, 2021. Sentencing is set on January 21, 2022. The case was investigated by John Lahner and prosecuted by the Denver District Attorney's Office.

Chief Examiner Eaby provided an update on the examination section:

- Licensing update: The Division is seeing an increase in applications for sales representatives, mainly submitted by larger firms. A review of the applications appears to show a lot of individuals with disclosures. For example, in August, the Division received approximately 5,000 applications with about 1,400 requiring review by Division staff.
- Investment Adviser advertising rule: The U.S. Securities and Exchange Commission (SEC) amended its advertising rule to keep pace with changes in technology and the increased use of social media.

The new rule now allows, under certain circumstances, the use of testimonials and endorsements.

Advisers using testimonials and endorsements are required to make specific disclosures. The Division rule incorporates the SEC rule which will require the examination team to review advertising under the new SEC rule.

4. The Matter of Michael Miller Norins and One Oak Private Wealth and Asset management, LLC, Respondents, Case Number 2021-CDS-014

- Discussion with the Board and Adjudicatory Counsel Sue Kim was scheduled to be held in executive session. A motion to enter executive session was made by Keith Olivia and seconded by Rikard Lundberg. The Board voted unanimously to move to executive session. The board entered executive session at 10:38 a.m. All Board members were present.

5. New Board and Continuing Board Member Training: Executive Session

- Assistant Attorney General India Kidd-Aaron provided training to the Board members in compliance with Colorado Revised Statute §24-3.7-102 (C.R.S §24- 3.7-102) regarding annual training for Colorado boards and commissions. This training was held in executive session. The Board exited executive session at 11:12 a.m.

6. Other Business

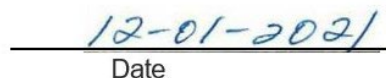
- No other business

7. Schedule Date and Time for Next Meeting

- Next scheduled meeting is December 9, 2021, at 1:30 p.m. Place to be determined, up in Eagle County tentatively on the western slope, optional Virtual Google meeting to be held.

No further business. The meeting was adjourned at 11:19 a.m.


Chair


Date