

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801)530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

**JOSHUA LEHI TRENT, CRD# 3096291,
d.b.a. ACTA NON VERBA, LLC,**

Respondent.

ORDER TO SHOW CAUSE

Docket No. SD-12-0027

It appears to the Director of the Utah Division of Securities (Director) that Joshua Lehi Trent (Respondent), doing business as Acta Non Verba, LLC (ANV),¹ engaged in acts and practices that violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, *et seq.* (the Act). Those acts and practices are more fully described herein. Based upon information discovered in the course of the Utah Division of Securities' (Division) investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF JURISDICTION

1. Jurisdiction over Respondent and the subject matter is appropriate because the Division

¹Acta Non Verba, LLC was a Utah-based limited liability company that registered with the Utah Division of Corporations on July 6, 2009. That registration expired on July 7, 2011, when the entity voluntarily dissolved. During its existence, Joshua Lehi Trent served as manager and registered agent.

alleges that he violated § 61-1-1 (securities fraud) of the Act while engaged in the offer and sale of securities in or from Utah.

STATEMENT OF FACTS

THE RESPONDENT

2. Joshua Lehi Trent (Respondent) was, at all relevant times, a resident of the State of Utah. Respondent was licensed as a broker-dealer agent in Utah from November 6, 1998 until November 2, 2000 and in Florida from October 1, 1999 until November 2, 2000. Since that time, Respondent has not been licensed in the securities industry in any capacity.

GENERAL ALLEGATIONS

3. In or about February 2010, Respondent offered and sold securities to investors, in or from Utah, and collected at least \$20,000.
4. Respondent made material misstatements and omissions in connection with the offer and sale of securities to the investors below.
5. Investors lost all \$20,000 of their investment funds.

INVESTORS W.Z. AND C.G.

6. In February or March of 2009, W.Z. and C.G., two residents of the State of Florida, attended an investment seminar in Dallas, Texas.
7. During the seminar, attendees were paired with wealthy individuals for the purpose of discussing investment opportunities. W.Z. and C.G. were paired with Joshua Escodebo

(Escodebo), an individual holding himself out as a millionaire from Orem, Utah.

8. During their conversation, W.Z. and C.G. informed Escodebo that they were interested in finding an investment for the \$20,000 W.Z. had recently received as inheritance.
9. Escodebo recommended that W.Z. and C.G. invest with Respondent, an acquaintance from college.
10. On or about the last week of January 2010, W.Z. and C.G. participated in a conference call with Escodebo and Respondent. During that call, Respondent made the following statements:
 - a. Respondent had investment properties in Utah, in addition to international real estate holdings.
 - b. Respondent had been in business for several years and had many good investments with several investors.
 - c. If W.Z. and C.G. invested \$20,000 with him, Respondent would use that money for the purpose of international real estate investing and would provide an annual interest return of \$2,000.
11. In response to these statements, C.G. then asked Respondent if he was licensed to sell securities in Florida, as both C.G. and W.Z. resided in that state.
12. Respondent represented that he was licensed to sell securities in Florida.
13. Additionally, C.G. inquired whether or not Respondent's company, ANV, had been in any

trouble or if Respondent had been sued in the past.

14. Respondent represented that ANV had not been in any trouble and that he had not been sued by anyone.
15. As a follow-up to that conversation, Respondent emailed W.Z. and C.G. on or about February 8, 2010. He provided documentation that included a Membership Unit Purchase Agreement for ANV, dated July 1, 2009, and four exhibits, including the ANV Operating Agreement.
16. Respondent represented that rather than relying on a promissory note, he was providing W.Z. and C.G. with a membership interest in ANV, which would give them “more protection.”
17. C.G. then performed an Internet search to verify that ANV was a registered entity.²
18. Following that search, W.Z. executed the Membership Unit Purchase Agreement on behalf of WFZ Investments, LLC,³ a Florida limited liability company in existence at that time, and sent the document back to Respondent via email.
19. On or about February 12, 2010, W.Z. and C.G. wired \$20,000 from their account at HomeBanc, N.A. in Orlando, Florida to ANV’s account at JPMorgan Chase Bank in Salt Lake City, Utah.
20. In June 2010, C.G. contacted Respondent to see if she and W.Z. could receive their interest

² At that time, ANV was an active limited liability company, registered with the Utah Division of Corporations.

³ W.Z. served as the manager of WFZ Investments, LLC, an entity that initially registered with the Florida Division of Corporations on August 28, 2009 and later became inactive, as of September 24, 2010.

payment early.

21. Respondent responded that he would see what he could do.
22. In August 2010, C.G. again contacted Respondent to inquire about the interest payment, which was due that month.
23. Respondent responded by stating that he had recently filed for personal bankruptcy and “did not have the money to pay interest.”
24. Respondent also stated that because W.Z. and C.G. had invested in ANV, an entity that was not party to the bankruptcy, they were not listed as creditors in the action.
25. Based on a first in, first out analysis, bank records indicate that Respondent used W.Z. and C.G.’s investment in the following manner:
 - a. \$15.00 paid as an incoming wire fee;
 - b. \$8,936.05 transferred to Boi Blue LP;
 - c. \$6,000.00 transferred to an account ending in 0082;
 - d. \$310.00 paid to Amtrak;
 - e. \$202.27 paid to Courtyard by Marriott;
 - f. \$1,400 in withdrawals;
 - g. \$57.00 paid to Huka Bar and Grill;
 - h. \$500.00 paid to Paypal: Favenressom;
 - i. \$1,004.70 paid to Spirit Air;

- j. \$85.60 paid to Cheap Tickets;
 - k. \$46.32 paid to GoDaddy.com;
 - l. \$114.22 paid to Caille Restaurant;
 - m. \$25.00 paid to Leisure Rewards Annual Fee;
 - n. \$475.00 paid to Plaza 6375 LLC (memo: rent March 16-Sept 16);
 - o. \$1.07 paid to Redbox;
 - p. \$30.00 paid to Hog Wallow Pub;
 - q. \$200.12 paid to Hotels.com;
 - r. \$27.76 paid to The Tinderbox;
 - s. \$167.93 paid to GNC;
 - t. \$162.05 paid to Long Beach Yellow Cab;
 - u. \$108.63 paid to Bistro 412;
 - v. \$97.38 paid to Cedars of Lebanon;
 - w. \$15.00 paid to Utah Bus Renewal; and
 - x. \$18.90 paid in service fees.
26. W.Z. and C.G. received no payments from Respondent.
27. Respondent still owes W.Z. and C.G. \$20,000 in principal alone.

CAUSES OF ACTION

Securities Fraud under § 61-1-1 of the Act

28. The Division incorporates and re-alleges paragraphs 1 through 27.
29. The limited liability company membership interests offered and sold by Respondent are securities under § 61-1-13 of the Act.
30. In connection with the offer and sale of a security to the investors, Respondent, directly or indirectly, made false statements, including, but not limited to, the following:
 - a. W.Z. and C.G.'s investment funds would be used for real estate investments, when in fact, Respondent used investor funds for personal expenses;
 - b. Respondent was licensed to sell securities in the State of Florida, when in fact, his license expired in 2000; and
 - c. Respondent had never been sued, when in fact, Respondent had two civil judgments issued against him in 2008.⁴
31. In connection with the offer and sale of a security to the investors, Respondent, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make statements made not misleading:
 - a. Respondent had no other investors in ANV;
 - b. ANV's current capitalization and how much money he would be required to raise before he could invest in real estate; and
 - c. What would happen to the investors' funds if he could not raise the amount needed to

⁴ *Patricia Huff v. Joshua Trent*, Case No. 080407771, Third Judicial District Court (2008), and

invest in real estate.

ORDER

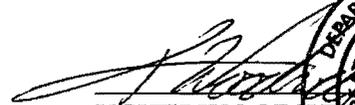
The Director, pursuant to § 61-1-20 of the Act, hereby orders Respondent to appear at a formal hearing to be conducted in accordance with Utah Code Ann. § 63G-4-202, -204 through -208, and held before the Utah Division of Securities. The hearing will occur on Wednesday, July 11, 2012, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah. The purpose of the hearing is to establish a scheduling order and address any preliminary matters. If Respondent fails to file an answer and appear at the hearing, the Division of Securities may hold Respondent in default, and a fine may be imposed in accordance with Utah Code Ann. § 63G-4-209. In lieu of default, the Division may decide to proceed with the hearing under § 63G-4-208. At the hearing, Respondent may show cause, if any he has:

- a. Why Respondent should not be found to have engaged in the violations alleged by the Division in this Order to Show Cause;
- b. Why Respondent should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1-1, or any other section of the Act;
- c. Why Respondent should not be barred from (i) associating with any broker-dealer or investment adviser licensed in Utah; (ii) acting as an agent for any issuer soliciting

investor funds in Utah, and (iii) from being licensed in any capacity in the securities industry in Utah; and

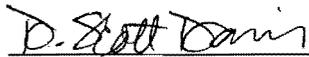
- d. Why Respondent should not be ordered to pay to the Division a fine amount to be determined by stipulation or by the presiding officer after a hearing in accordance with the provisions of Utah Admin. Rule R164-31-1, which may be reduced by restitution paid to the investors.

DATED this 24th day of May, 2012.


KEITH WOODWORTH
Director, Utah Division of Securities



Approved:


D. SCOTT DAVIS
Assistant Attorney General
N.M.

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
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OF THE DEPARTMENT OF COMMERCE
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<p>IN THE MATTER OF:</p> <p>JOSHUA LEHI TRENT, CRD# 3096291, d.b.a. ACTA NON VERBA, LLC,</p> <p>Respondent.</p>	<p>NOTICE OF AGENCY ACTION</p> <p>Docket No. <u>SD-12-0027</u></p>
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THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENT:

You are hereby notified that agency action in the form of an adjudicative proceeding has been commenced against you by the Utah Division of Securities (Division). The adjudicative proceeding is to be formal and will be conducted according to statute and rule. See Utah Code Ann. § 63G-4-201 and 63G-4-204 through -209; see also Utah Admin. Code R151-4-101, *et seq.* The facts on which this action is based are set forth in the accompanying Order to Show Cause. The legal authority under which this formal adjudicative proceeding is to be maintained is Utah Code Ann. § 61-1-20. You may be represented by counsel or you may represent yourself in this proceeding. Utah Admin. Code R151-4-110.

You must file a written response with the Division within thirty (30) days of the mailing date of this Notice. Your response must be in writing and signed by you or your representative. Your

response must include the file number and name of the adjudicative proceeding, your version of the facts, a statement of what relief you seek, and a statement summarizing why the relief you seek should be granted. Utah Code Ann. § 63G-4-204(1). In addition, pursuant to Utah Code Ann. § 63G-4-204(3), the presiding officer requires that your response:

- (a) admit or deny the allegations in each numbered paragraph of the Order to Show Cause, including a detailed explanation for any response other than an unqualified admission. Allegations in the Order to Show Cause not specifically denied are deemed admitted;
- (b) identify any additional facts or documents which you assert are relevant in light of the allegations made; and
- (c) state in short and plain terms your defenses to each allegation in the Order to Show Cause, including affirmative defenses, that were applicable at the time of the conduct (including exemptions or exceptions contained within the Utah Uniform Securities Act).

Your response, and any future pleadings or filings that should be part of the official files in this matter, should be sent to the following:

Signed originals to:

Administrative Court Clerk
c/o Julie Price
Utah Division of Securities
160 E. 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
(801) 530-6600

A copy to:

D. Scott Davis
Assistant Attorney General
Utah Division of Securities
160 East 300 South, 5th Floor
Salt Lake City, UT 84114-0872
(801) 366-0358

An initial hearing in this matter is set for **July 11, 2012** at the Division of Securities, 2nd

Floor, 160 E. 300 S., Salt Lake City, Utah, at **9:00 A.M.** The purpose of the initial hearing is to enter a scheduling order addressing discovery, disclosure, and other deadlines, including pre-hearing motions, and to set a hearing date to adjudicate the matter alleged in the Order to Show Cause.

If you fail to file a response, as described above, or fail to appear at any hearing that is set, the presiding officer may enter a default order against you without any further notice. Utah Code Ann. § 63G-4-209; Utah Admin. Code R151-4-710(2). After issuing the default order, the presiding officer may grant the relief sought against you in the Order to Show Cause, and will conduct any further proceedings necessary to complete the adjudicative proceeding without your participation and will determine all issues in the proceeding. Utah Code Ann. § 63G-4-209(4). In the alternative, the Division may proceed with a hearing under § 63G-4-208.

The Administrative Law Judge will be Angela Hendricks, Utah Department of Commerce, 160 East 300 South, P.O. Box 146701, Salt Lake City, UT 84114-6701, telephone (801) 530-6035. This adjudicative proceeding will be heard by Ms. Hendricks and the Utah Securities Commission. You may appear and be heard and present evidence on your behalf at any such hearings.

You may attempt to negotiate a settlement of the matter without filing a response or proceeding to hearing. To do so, please contact the Utah Attorney General's Office. Questions regarding the Order to Show Cause should be directed to D. Scott Davis, Assistant Attorney General, 160 E. 300 South, 5th Floor, Box 140872, Salt Lake City, UT 84114-0872, Tel. No. (801) 366-0358.

Dated this 24th day of May, 2012


Keith M. Woodwell
Director, Division of Securities

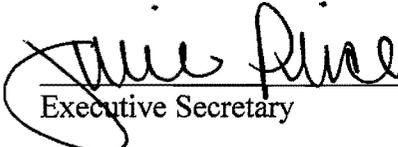


Certificate of Mailing

I certify that on the 29th day of May, 2012, I mailed, by regular and certified mail, a true and correct copy of the Notice of Agency Action and Order to Show Cause to:

Joshua Lehi Trent
4760 S. Highland Drive, #516
Salt Lake City, UT 84117

Certified Mail # 70070220000100037285



Executive Secretary