

Division of Securities
Utah Department of Commerce
160 East 300 South
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.

**STIPULATION AND CONSENT
ORDER**

Docket No. SD-12-0037

The Utah Division of Securities (the Division), by and through its Director of Enforcement, Thomas Brady, and Joshua Lehi Trent, doing business as Acta Non Verba, LLC, (Respondent) hereby stipulate and agree as follows:

1. Respondent was the subject of an investigation conducted by the Division into allegations that he violated certain provisions of the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, *et seq.*, as amended (the Act).
2. In connection with that investigation, the Division initially issued an Order to Show Cause against Respondent on May 24, 2012, alleging securities fraud. Criminal charges

were also filed against Respondent¹ in connection with the activities referred to herein.

3. Respondent waives any right to a hearing to challenge the Division's evidence and present evidence on his behalf. Respondent understands that by waiving a hearing, he is waiving the requirement that the Division prove the allegations against him by a preponderance of evidence, waiving his right to confront and cross-examine witnesses who may testify against him, to call witnesses on his own behalf, and any and all rights to appeal the findings, conclusions and sanctions set forth in this Stipulation and Consent Order.
4. Respondent understands that he has a right to be represented by counsel, and he voluntarily and knowingly waives the right to have counsel represent him in this matter.
5. Respondent acknowledges that this Stipulation and Consent Order does not affect any enforcement action that might be brought by a criminal prosecutor or any other local, state, or federal enforcement authority.
6. Respondent admits the jurisdiction of the Division over him and over the subject matter of this action.

I. THE DIVISION'S FINDINGS OF FACT

THE RESPONDENT

7. 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,

¹ *State of Utah Attorney General v. Joshua Lehi Trent*, Case No. 121904707, Third Judicial District Court of Utah (2012).

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

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

INVESTORS W.Z. AND C.G.

11. 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.
12. 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.
13. 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.
14. Escodebo recommended that W.Z. and C.G. invest with Respondent, an acquaintance from college.
15. 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.
16. 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.
 17. Respondent represented that he was licensed to sell securities in Florida.
 18. Additionally, C.G. inquired whether or not Respondent's company, Acta Non Verba, LLC (ANV),² had been in any trouble or if Respondent had been sued in the past.
 19. Respondent represented that ANV had not been in any trouble and that he had not been sued by anyone.
 20. 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.

² Acta 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, Respondent served as manager and registered agent.

21. 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.”
22. C.G. then performed an Internet search to verify that ANV was a registered entity.³
23. Following that search, W.Z. executed the Membership Unit Purchase Agreement on behalf of WFZ Investments, LLC,⁴ a Florida limited liability company in existence at that time, and sent the document back to Respondent via email.
24. 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.
25. In June 2010, C.G. contacted Respondent to see if she and W.Z. could receive their interest payment early.
26. Respondent responded that he would see what he could do.
27. In August 2010, C.G. again contacted Respondent to inquire about the interest payment, which was due that month.
28. Respondent responded by stating that he had recently filed for personal bankruptcy and “did not have the money to pay interest.”
29. 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.

³ At that time, ANV was an active limited liability company, registered with the Utah Division of Corporations.

⁴ 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.

30. 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.
31. W.Z. and C.G. received no payments from Respondent.
32. 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

33. The Division incorporates and re-alleges paragraphs 1 through 32.
34. The limited liability company membership interests offered and sold by Respondent are securities under § 61-1-13 of the Act.
35. 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 2008.⁵

36. 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 invest in real estate.

II. THE DIVISION'S CONCLUSIONS OF LAW

37. Based on the Division's investigative findings, the Division concludes that:
- a. The investment opportunities offered and sold by Respondent are securities under § 61-1-13 of the Act;
 - b. Respondent violated § 61-1-1(2) of the Act by making untrue statements of material fact and omitting to state material facts in connection with the offer and sale of securities, disclosure of which was necessary in order to make representations made not misleading.

III. REMEDIAL ACTIONS/SANCTIONS

⁵ *Patricia Huff v. Joshua Trent*, Case No. 080407771, Third Judicial District Court (2008), and *Adam Wade Campbell v. Joshua Trent*, Case No. 080411244, Third Judicial District Court (2008).

38. Respondent neither admits nor denies the Division's findings of fact and conclusions of law but consents to the sanctions below being imposed by the Division.
39. Respondent agrees to the imposition of a cease and desist order, prohibiting him from any conduct that violates the Act.
40. Respondent agrees that he will be barred from (i) associating⁶ 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.
41. Respondent agrees to cooperate with the Division, the State of Utah, and the Federal Government in any future investigations and/or prosecutions relevant to the matter herein.
42. Pursuant to Utah Code Ann. § 61-1-20, and in consideration of the guidelines set forth in Utah Admin. Code Rule R164-31-1, Respondent agrees to pay a fine to the Division in the amount of \$25,000 within one year of the entry of the Order. If the Division finds that Respondent materially violates any term of this Stipulation and Consent Order, thirty days after notice and an opportunity to be heard before an administrative officer solely as

⁶"Associating" includes, but is not limited to, acting as an agent of, receiving compensation directly or indirectly from, or engaging in any business on behalf of a broker-dealer, agent, investment adviser, or investment adviser representative licensed in Utah. "Associating" does not include any contact with a broker-dealer, agent, investment adviser, or investment adviser representative licensed in Utah incidental to any personal relationship or business not related to the sale or promotion of securities or the giving of investment advice in the State of Utah.

to the issue of a material violation, Respondent consents to a judgment ordering the entire fine immediately due and payable.

43. Each dollar paid by Respondent to the investors towards restitution (up to \$20,000) shall be credited by the Division toward payment of the fine. Respondent shall send to the Division the cancelled checks, wire confirmations, or deposit slips for each payment made to the investors.

IV. FINAL RESOLUTION

44. Respondent acknowledges that this Stipulation and Consent Order, upon approval by the Securities Commission, shall be the final compromise and settlement of this matter.
45. Respondent further acknowledges that if the Securities Commission does not accept the terms of the Stipulation and Consent Order, it shall be deemed null and void and without any force or effect whatsoever.
46. Respondent acknowledges that the Stipulation and Consent Order does not affect any civil or arbitration causes of action that third-parties may have against him rising in whole or in part from his actions and that the Stipulation and Consent Order does not affect any criminal causes of action that may arise as a result of his conduct referenced herein.
47. Respondent acknowledges that a violation of this Stipulation and Consent Order is a third

degree felony pursuant to § 61-1-21(1)(b) of the Act.

48. The Stipulation and Consent Order constitutes the entire agreement between the parties herein and supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements which modify, interpret, construe, or otherwise affect the Stipulation and Consent Order in any way.

RECEIVED

OCT 15 2012

Utah Department of Commerce
Division of Securities

Utah Division of Securities

Date: Oct. 15, 2012

By: Thomas A. Brady
Thomas A. Brady
Director of Enforcement

Respondent

Date: Oct 9, 2012

By: [Signature]
Joshua Lehi Fren

Approved:

D. Scott Davis
D. Scott Davis
Assistant Attorney General
N.M.

ORDER

IT IS HEREBY ORDERED THAT:

1. The Division has made a sufficient showing of Findings of Fact and Conclusions of Law to form a basis for this settlement.
2. Respondent ceases and desists from violating the Utah Uniform Securities Act.
3. Respondent is barred from the securities industry in Utah.
4. Respondent will cooperate with the Division, the State of Utah, and the Federal Government in any future investigations and/or prosecutions relevant to the matter herein.
5. The Division imposes a fine of \$25,000 against Respondent, offset by restitution payments (up to \$20,000) to the investors.
6. Payment of the fine is due within one year of the entry of this Order.
7. If Respondent materially violates any of the terms of this Order, the full fine amount shall be imposed and become due immediately.

BY THE UTAH SECURITIES COMMISSION:

DATED this 29th day of October, 2012.

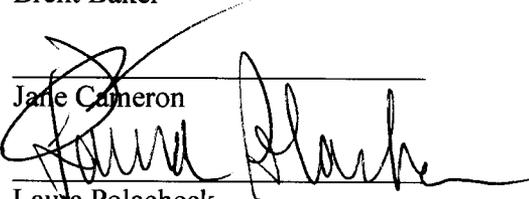
Brent Baker



Tim Bangerter

Jane Cameron

Erik Christiansen

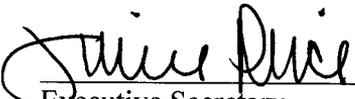


Laura Polacheck

Certificate of Mailing

I certify that on the 20th day of OCTOBER, 2012, I mailed, by regular mail, a true and correct copy of the Stipulation and Consent Order to:

JOSHUA TRENT
4760 S. HIGHLAND DRIVE, #516
SALT LAKE CITY, UT 84117


Executive Secretary