



NEWS RELEASE

For Immediate Release – December 20, 2012

Contact: Fred Joseph, Banking and Securities Commissioner or
Gerald Rome, Deputy Securities Commissioner at 303-894-2320

CRESTONE TELECOM COMPANY SANCTIONED BY SECURITIES COMMISSIONER AND ORDERED TO STOP OFFERING SECURITIES IN COLORADO

Denver, Colorado --- Colorado Securities Commissioner Fred Joseph announced today that he has entered a final cease and desist order against a Crestone, Colorado telecommunications company to stop offering or selling unregistered securities in Colorado for violating the securities registration provisions of the Colorado Securities Act (“Act”) in connection with the offer of securities in Colorado.

Named in the Order are **Crestone Telecom, LLC, Ralph Abrams**, the CEO and owner of Crestone Telecom, and **Cheryl Rowe**, Investor Outreach Manager for Crestone Telecom. Abrams and Rowe both reside in Crestone, Colorado.

The Staff of the Division of Securities (the “Staff”) alleged that Crestone Telecom sought investors for the telecommunication company by using the internet to offer securities to the general public. According to the internet site, and statements by Rowe, Crestone Telecom provides internet services to residents in the San Luis Valley in Colorado. Again, according to the internet site and Rowe, the minimum investment in Crestone Telecom was \$5000.00, which buys investors 500 shares at \$10.00 per share. Investors are promised “interest” on their investment, and are told that they should have received their full investment back with accrued interest in about 5 years. The Staff alleged that these securities were not registered and the offer and sale of the securities violated the registration provisions of the Colorado Securities Act.

The cease and desist order, which Crestone Telecom, Abrams, and Rowe agreed to, orders them to immediately and permanently cease and desist offering or selling any unregistered security in or from the State of Colorado or otherwise engaging in conduct in violation of any provision of the Act. The order was made final on December 20, 2012.

*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.*

//End//