

**MICHELLE LUJAN GRISHAM, GOVERNOR**

Marguerite Salazar, Superintendent

**NEWS RELEASE**

FOR IMMEDIATE RELEASE

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*"The Mission of the New Mexico Regulation and Licensing Department is to ensure New Mexicans receive quality care and services from qualified professionals".*

**TRIO CONVICTED OF DEFRAUDING INVESTORS IN MEDICAL MARIJUANA INVESTMENT SCHEME**

ROSWELL, N.M. - The Securities Division of the New Mexico Regulation and Licensing Department announced Wednesday, that a former married couple from Roswell and an Eddy County woman were convicted of securities fraud and conspiracy arising from their obtaining money from local investors to purportedly fund legal medical marijuana growing operations.

Gary Baker and Karen Maynes of Roswell, New Mexico and Irma Phillips, of Malaga, New Mexico each plead no contest to multiple felonies, including securities fraud and conspiracy.

Prospective investors from Chaves and Eddy Counties were told that the trio would be growing marijuana in abandoned missile silos that were owned by Maynes and Baker. The defendants represented that they had the knowledge and expertise to obtain the requisite licenses from the state and to successfully produce the marijuana. Neither of which occurred and investors lost over \$175,000.00. An investigation of financial records involved revealed that much of the investor funds were used to pay Maynes and Baker a "salary" and to purchase items online, including designer bags, clothing, jewelry and furs.

"We are here to protect New Mexico investors, fraudulent activity in our community will not be tolerated. We will pursue all action to keep investors safe in our state" said Superintendent Marguerite Salazar.

This matter was part of a joint investigation conducted by the New Mexico Securities Division, the New Mexico State Police and the Chaves County Sheriff's Department, and the HIDTA Investigative Support Center. The case was prosecuted by the Fifth Judicial District Attorney's Office and the New Mexico Securities Division.

Baker and Maynes each received nine year suspended prison sentences. Phillips received a deferred sentence. As part of their plea agreements, the defendants have agreed to immediately make full restitution to the victims.

"We are committed to holding this kind of behavior accountable as a violation of our securities act, in order to make New Mexico a safe and secure environment for investment" said Interim Director, Benjamin Schrope.

The New Mexico Regulation and Licensing Department regulates more than 500,000 individuals and businesses in 35 industries, professions and trades across the state. Its goal is to assure that New Mexicans receive quality services from qualified individuals and businesses while also ensuring fair and prompt administrative process.

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