



OFFICE OF THE DISTRICT ATTORNEY
TWENTIETH JUDICIAL DISTRICT

Michael T. Dougherty, District Attorney

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Contact: Shannon Carbone
Phone: 303-441-3804
scarbone@bouldercounty.gov

PRESS RELEASE

***CEASE-AND-DESIST NOTICE
MAGNOLIA BANK MAILINGS***

On December 30, 2022, the District Attorney's Office issued a Cease-and-Desist Notice to Magnolia Bank, having cause to believe the bank has engaged in unfair or deceptive trade practices in violation of the Colorado Consumer Protection Act.

The Cease-and-Desist Notice is in reference to a mailing from Magnolia Bank and Branch Manager Toby English to at least one Boulder County resident. The mailing, which appears to be a possible mass mailing, falsely claimed that the resident is delinquent on property tax payments. Based upon information from the Boulder County Treasurer, it is clear the resident who received the mailing is not, and has never been, delinquent on their property tax payments. The mailing asserted the false claim of delinquent taxes to try to sell a home equity loan to the recipient.

The District Attorney's Office is awaiting acknowledgement from the bank of the demand. The bank must agree to cease-and-desist the mailings unless and until they comply with all provisions of the Colorado Consumer Protection Act. Should the bank not acknowledge the demand, the DA's Office will take further action.

Colorado law allows district attorneys to ensure that consumers are not misled by a company that uses false, misleading, unfair, deceptive, or fraudulent advertisements. While a consumer is free to work with a bank to obtain a home equity loan, or a home equity line of credit, it should never be based upon false assertions that the loan or line of credit is necessary due to delinquent tax payments or based upon false claims that a resident may lose their home due to unpaid taxes.

At this time, the District Attorney's Office is unaware of how many consumers may have received the mailing from Magnolia Bank. We encourage community members to call our DA Community Protection Division at 303-441-3700 with any complaints or additional information.

District Attorney Michael Dougherty stated, “This office takes seriously any consumer protection violations against Boulder County residents. This letter falsely claimed to have information from a Boulder County agency and caused valid concern for the homeowner. I greatly appreciate the resident notifying the Boulder County Treasurer and that office bringing this issue to our attention.”