

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 81455 / August 22, 2017**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18124**

**In the Matter of**  
  
**PAUL E. RENFROE,**  
  
**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934,**  
**MAKING FINDINGS, AND IMPOSING**  
**REMEDIAL SANCTIONS**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Paul E. Renfroe (“Renfroe” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in paragraph III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Renfroe is the Chief Financial Officer and Manager of both Vergeous LLC ("Vergeous"), a Florida limited liability company established in January 2013, and Dream Team Partners LLC ("Dream Team"), a Florida limited liability company established in April 2015. At all relevant times, Renfroe also acted as a broker but was not registered with the Commission in any capacity. Renfroe, 60 years old, is a resident of Santa Rosa Beach, Florida.

2. On August 16, 2017, a final judgment was entered by consent against Renfroe, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a)(2) of the Securities Act of 1933 ("Securities Act"), and Section 15(a)(1) of the Exchange Act, in the civil action entitled *Securities and Exchange Commission v. Vergeous LLC, et al.*, Civil Action Number 1:17-cv-23116-CMA, in the United States District Court for the Southern District of Florida.

3. The Commission's complaint alleged that, among other things, from at least June 2013 through June 2016, Vergeous, Dream Team and Renfroe raised about \$1.2 million from approximately 33 investors in Florida, Tennessee, Mississippi, Texas, Indiana, South Carolina, and Alabama through a series of unregistered securities offerings. The purported purpose of the Vergeous and Dream Team offerings was to fund video game projects undertaken at first by Vergeous and then later by a joint venture between Vergeous and Dream Team. Renfroe was primarily responsible for raising money from investors for both companies. Many of the investors were elderly clients of Renfroe's other business. Renfroe advertised the securities on his radio show and on Vergeous's website. Vergeous, Dream Team, and Renfroe made misrepresentations and omissions orally and in offering materials distributed to investors regarding: (1) Renfroe's disciplinary history; (2) the use of some investor proceeds to pay debt and back pay related to a suspended project; and (3) Dream Team's 100% ownership of intellectual property rights for the video game projects and Renfroe's ownership stake in Dream Team.

### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Renfroe's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Renfroe be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Renfroe be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Brent J. Fields  
Secretary