



STATE OF TENNESSEE
BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE

TENNESSEE SECURITIES DIVISION)
)
 Petitioner,)
)
 vs.) **Order No. 16-014**
)
)
 TENNSTAR ENERGY, INC.,)
 f/k/a BLACKGOLD RESOURCES, INC.)
 AND JARED G. FORRESTER)
)
 Respondents.)

EX PARTE ORDER TO CEASE AND DESIST

This Order issues as the result of a Petition filed by the Tennessee Securities Division (“TSD”) of the Department of Commerce and Insurance (“Department”). This Order is based upon the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The Tennessee Securities Act of 1980, TENN. CODE ANN. §§ 48-1-101 to 48-1-201 (2012) (“Act”), places the responsibility for the administration of the Act on the Commissioner of the Tennessee Department of Commerce and Insurance (“Commissioner”). The TSD is the lawful agent through which the Commissioner discharges this responsibility. TENN. CODE ANN. § 48-1-115 (2012).

2. The TSD is authorized to bring this action based on a finding by the Commissioner that the action is in the public interest, necessary for the protection of investors

and consistent with the purposes fairly intended by the policy and provisions of the Act. TENN. CODE ANN. § 48-1-116 (2012).

3. Respondent Tennstar Energy, Inc. f/k/a Black Gold Resources, Inc., (Secretary of State Control No. 000741435) (“Tennstar”) is a Tennessee corporation with its current principal place of business at 103 Hazel Path Court, Suite 5, Hendersonville, Tennessee 37075. Tennstar also maintains a secondary business location at 275 Commercial Boulevard, Lauderdale by the Sea, Florida 33308. Respondent is currently operating under the name Tennstar Energy, Inc. pursuant to a name change filing with the Tennessee Secretary of State (Control No. 000741435).

4. The Registered Agent, President, and Chief Executive Officer for Tennstar is Respondent Jared G. Forrester (“Forrester”). His current mailing address is 103 Hazel Path Court, Suite 5, Hendersonville, Tennessee 37075.

5. Respondents Tennstar and Jared G. Forrester are currently operating websites, TennstarEnergy.com and JGForrester.com.

6. At all relevant times, Respondent Forrester was not registered as a broker-dealer, broker-dealer agent, investment adviser, or investment adviser representative with the TSD.

7. At all relevant times, Respondents conducted an unregistered securities business in Tennessee through Black Gold Resources, Inc. or Tennstar.

8. Between April 2011 and present, Respondents have engaged in the solicitation and sale of unregistered securities from their business headquarters in Tennessee.

9. There have been numerous sales of securities by Respondents from the business headquarters in Tennessee to investors across the United States.

10. Forrester effected sales on behalf of Tennstar and confirmed participation in the venture with investors via letter.

11. Checks paid by a Florida investor were deposited in the Hendersonville, Tennessee branch of Bank of America into the Black Gold Resources Inc. account.

12. Respondents made false representations to investors regarding the profitability and lucrative potential of their investments and failed to disclose that the securities were not registered with the TSD.

13. Respondents have, upon information and belief, continued to offer securities for sale through the Tennstar website without the sellers or the securities being registered with the TSD.

CONCLUSIONS OF LAW

Respondents' Ongoing Unlawful Conduct Warrants the Issuance of an Order to Cease and Desist

14. The Commissioner finds that the TSD is authorized to bring this action based on her finding that the action is in the public interest, necessary for the protection of investors and consistent with the purposes fairly intended by the policy, and provisions of the Act pursuant to TENN. CODE ANN. §§ 48-1-116(a) and (b) (2012). In addition, the Commissioner has determined that prior notice of this Cease and Desist Order is not in the public interest and would be detrimental to the protection of investors. TENN. CODE ANN. § 48-1-116(e)(2)(A) (2012). Respondents' ongoing unlawful conduct necessitates an Order to Cease and Desist all such unlawful activity to prevent the Respondents from continuing to sell unregistered securities while not being registered to sell securities in Tennessee by simply changing the name or form of the offerings being made in order to hide the unlawful nature of their conduct.

15. The facts as stated demonstrate that Respondents, who are not registered with the TSD, sold securities from or in Tennessee, are continuing to offer to sell or to sell securities in Tennessee that are not registered with the TSD for sale in Tennessee.

16. Respondents' continuing illegal conduct provides grounds under TENN. CODE ANN. §§ 48-1-116(a) and 48-1-116(e)(2)(A) (2012) for the entry of an Order to Cease and Desist all securities activities.

Respondents Sold Securities Without Being Registered to Sell Securities from or in Tennessee

17. TENN. CODE ANN. § 48-1-109(a) (2012) states, in pertinent part, that "(a)... it is unlawful for any person to transact business from or in this state as a broker-dealer or agent unless such person is registered as a broker-dealer or agent under this part..."

18. The facts as stated demonstrate that Forrester sold securities in Tennessee without being registered under the Act to sell securities in Tennessee in violation of TENN. CODE ANN. § 48-1-109(a) (2012).

19. Forrester's sales of securities without being registered with the TSD to engage in the selling of securities from, in or into Tennessee provides adequate grounds under TENN. CODE ANN. § 48-1-116(a) (2012) for the entry of an Order to Cease and Desist all securities activities.

Respondents Sold Unregistered Securities in Tennessee

20. TENN. CODE ANN. § 48-1-102(17)(A) (2012) states, in pertinent part, that "[s]ecurity' means any note, stock, treasury stock, bond, debenture, evidence of indebtedness ... investment contract ... certificate of interest or participation in an oil, gas, or mining title or lease or in payments out of production under such a title or lease; or, in general, any interest or instrument commonly known as a 'security,'..."

21. TENN. CODE ANN. § 48-1-104(a) (2012) provides that it is unlawful for any person to sell any security in this state unless it is registered under the Act, the security or transaction is exempted under the Act, or the security is a covered security.

22. The facts as stated demonstrate that Respondents sold securities in Tennessee that were not registered with the TSD to be sold in Tennessee by selling participation interest in oil

joint ventures in violation of TENN. CODE ANN. § 48-1-104(a) (2012).

23. Respondents' sales of unregistered securities provide grounds under TENN. CODE ANN. § 48-1-116(a) (2012) for the entry of an Order to Cease and Desist all securities activities.

Tennstar Energy, Inc., f/k/a Black Gold Resources, Inc., and Jared G. Forrester Engaged in Securities Fraud

24. Pursuant to TENN. CODE ANN. § 48-1-121(a) (2012),

[i]t is unlawful for any person, in connection with the offer, sale or purchase of any security in [Tennessee], directly or indirectly, to (1) Employ any device, scheme, or artifice to defraud; (2) Make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or (3) Engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

25. The facts as stated demonstrate that Forrester failed to disclose to the investors that he was not registered to sell securities, the securities offered by Respondents were not registered in Tennessee, and that Respondents were making material misrepresentations to investors regarding the profitability of the investment in violation of TENN. CODE ANN. § 48-1-121(a) (2012).

26. Respondents' failure to disclose these material facts provides grounds under TENN. CODE ANN. § 48-1-116(a) (2012) for the entry of an Order to Cease and Desist all securities activities.

ORDER

NOW, THEREFORE, in consideration of the foregoing, it is **ORDERED** that:

1. Respondents **SHALL COMPLY** with the Act and all rules promulgated thereunder.


7. Entry of this Order to Cease and Desist shall not in any way restrict the TSD or the Commissioner of the Department from taking further action with respect to these or other possible violations of the Act, or any of the rules promulgated thereunder, by Respondents.

8. You are advised that you have the right to a hearing as to all matters raised in this Order to Cease and Desist. If you wish to exercise your right to a hearing, please notify:

**FRANK BORGER-GILLIGAN
ASSISTANT COMMISSIONER FOR SECURITIES
STATE OF TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE
DAVY CROCKETT TOWER, 8TH FLOOR
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243**

9. Such request must be received within thirty (30) days from the date of entry of this Order to Cease and Desist. This Order to Cease and Desist shall become a Final Order thirty (30) days from the date of its entry, unless written notification requesting a hearing is made within that thirty (30) day period.

ENTERED this 22 day of August, 2016.



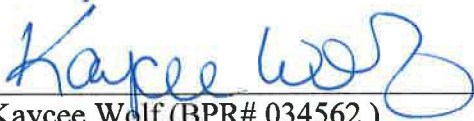
Julie Mix McPeak, Commissioner

APPROVED FOR ENTRY:



Frank Borger-Gilligan
Assistant Commissioner for Securities
Department of Commerce and Insurance

ISSUANCE REQUESTED BY:



Kaycee Wolf (BPR# 034562)
Chief Counsel for Securities
Department of Commerce and Insurance
Davy Crockett Tower
500 James Robertson Parkway
Nashville, Tennessee 37243


CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of this Order to Cease and Desist upon the Respondents, Tennstar Energy, Inc., f/k/a Blackgold Resources, Inc., and Jared G. Forrester by forwarding a copy of same to:

(1) Tenstar Energy, Inc. c/o Registered Agent J G Forrester, 103 Hazel Path, Suite 5, Hendersonville, TN 37075, by certified mail, return receipt and restricted delivery; and

(2) Jared G. Forrester, 4839 Megan Lane, Glasgow, KY 42141 by certified mail, return receipt, and restricted delivery;

On this 26 day of August, 2016.


Kaycee Wolf