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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
Whether there has been a violation
of the Securities Act of the State
of Washington by:

Tri Energy, Inc.; Marina Investors Group; Henry
Jones; et al; their employees and agents,
Respondents.

Order Number S-04-181-05-FO01

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL ORDER
TO CEASE AND DESIST AS TO MARINA
INVESTORS GROUP AND HENRY JONES

THE STATE OF WASHINGTON TO: Marina Investors Group
Henry Jones

On February 28, 2005, the Securities Administrator of the State of Washington issued a Summary Order to Cease and Desist, number S-04-181-05-TO01, against H & J Energy Company, Inc., Marina Investors Group, Tri Energy, Inc., Thomas Avery, Lowell Decker, Robert Jennings, Henry Jones, Arthur Simburg, Mildred Stultz and Ronald Stultz.

The Summary Order, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred to as "Notice of Opportunity for Hearing" and an Application for Adjudicative Hearing, hereinafter referred to as "Application for Hearing", were served on Marina Investors Group and Henry Jones on April 21, 2005. The Notice of Opportunity for Hearing advised Marina Investors Group and Henry Jones that a written application for an administrative hearing on the Statement of Charges must be received within twenty days from the date of receipt of the notice. Marina Investors Group and Henry Jones failed to request an administrative hearing within twenty days of receipt of the Statement of Charges and Notice of Opportunity for Hearing, either on the Application for Hearing provided or otherwise.

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ENTRY OF FINDINGS OF FACT AND CONCLUSIONS
OF LAW AND FINAL ORDER TO CEASE AND
DESIST

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

1 The Securities Administrator therefore will adopt as final the findings of fact and conclusions of law as
2 set forth in the Summary Order as they relate to Marina Investors Group and Henry Jones, impose fines and
3 collect costs.

4 The Securities Administrator makes the following findings of fact and conclusions of law:

5
6 **FINDINGS OF FACT**

7 **I. Respondents**

8 1. H & J Energy Company, Inc. (H & J Energy), a Nevada corporation, with corporate offices at
9 350 S Center Street, Suite 500, Reno, Nevada represents that it is in the business of coal mining.

10 2. Marina Investors Group, Inc. (Marina Investors Group), a California corporation, with
11 corporate offices of 1801 Lincoln Blvd. Suite 113, Venice CA, 90291 and 3017 Washington Blvd, Suite
12 115, Marina Del Rey, California, represents that it is in the business of movie and music production.

13 3. Tri Energy, Inc. (Tri Energy), a Nevada corporation, with corporate offices of 2533 N Carson
14 Street Box T-305, Carson City, Nevada represents that it is in the business of coal mining.

15 4. Thomas Avery (Avery) of Moreno Valley, California is the Senior Vice President and Vice
16 Chairman of Tri Energy. Avery is the Secretary of H & J Energy.

17 5. Lowell Decker (Decker) of Placerville, California is an officer of Tri-Energy.

18 6. Robert Jennings (Jennings) of Perris, California is the President and Chairman of Tri Energy.
19 Jennings is the President and Treasurer of H & J Energy.

20 7. Henry Jones (Jones) of Culver City, California is the owner of Marina Investors Group.

21 8. Arthur Simburg (Simburg) of Los Angeles, California is the Senior Vice President of Tri
22 Energy, Inc.

23 9. Mildred Stultz of Bremerton, Washington is a promoter/sales agent of Tri Energy.

10. Ronald Stultz of Bothell, Washington is a promoter/sales agent of Tri Energy.

II. Nature of the Offering

11. Beginning no later than September 2003 and continuing through at least January 2005, H & J Energy, Tri Energy, Avery, Decker, Jennings and Simburg have raised over \$2,500,000 from offers and sales to at least 49 Washington investors towards funding coal mine operations of Tri Energy and H & J Energy and a Middle East gold investment organized by Marina Investors Group and Jones. Mildred and Ronald Stultz acting in concert with and on behalf of respondents H&J Energy, Tri Energy, Avery, Decker, Jennings, Simburg, Marina Investors Group and Jones solicited and introduced many of the investors to these investment opportunities.

How investors learned of Tri Energy the investment opportunity

12. Many of the investors learned of the investment opportunity through Mildred and Ronald Stultz. Investors met Mildred Stultz through Millionaire Mind seminars run by Peak Potentials Training, Inc. of North Vancouver, Canada. Millionaire Mind seminars, lead by motivational speaker T. Harv Eker, are designed to help people “develop a millionaire mind” and “reach their financial potential.” Mildred Stultz met people during the networking segment of seminars and told them about the Tri Energy investment opportunity. Mildred Stultz provided the potential investors with a telephone number for a nightly conference call coordinated by Decker for Tri Energy.

What Investors were told

13. When the investors called the conference call telephone number, they were introduced to Simburg and Jennings who explained to them the investment opportunity in Tri Energy and directed the callers to the company web site, www.trienergy.net, for additional information.

1 14. Early investors were told that their money was going toward the development of Tri Energy's
2 coal mines while later investors were told that they had the option to invest in either the coal mines or a gold
3 investment based upon the amount of money invested, and even later investors were told that Tri Energy
4 was using nearly all the money they raised for the gold deal with only a small portion going towards the coal
5 mine operations.

6 15. Jennings and Simburg told the investors that they would double their investment in 30 to 60
7 days by investing in Tri Energy. Investors were also told that if they invested \$100,000 the money was
8 going to be used for an investment in a gold transaction through Jones and Marina Investors Group and that
9 they could triple their money in the gold investment. Simburg and Jennings said that the money was going
10 toward the gold investment because they were going to get so much money from that transaction that they
11 would be able to pay the investors back and finance the development and expansion of the coal mine
12 operations.

13 16. Investors were told that Jones was facilitating the sale and transfer of 5,000 metric tons of
14 Israeli gold to Dubai. Investors were told that the gold was stored in Jordan, that the deal was going to be
15 finalized in Luxemburg and that it was politically sensitive because the countries involved would not want
16 the public to know they were conducting business with one another. Investors were told that their money
17 was going to be used to pay costs, including legal fees and storage fees, associated with the transaction.

18 17. Individuals that showed interest in the investment opportunities were sent a packet of
19 information that included a memo from Simburg on Tri Energy letterhead explaining particular coal mine
20 acquisitions the company was making, a promissory note stating that the investor would receive their
21 principal and 100% interest in sixty days or principal and 200% interest if the money is used for the Marina
22 Investors Group project. The packet of information also included a coal mine project evaluation and wire
23 instructions for where investors should send their money.

1 H & J Energy Investment

2 18. At least one Washington resident invested in H & J Energy in October and again in
3 November 2003. The investor was told that he would triple his money in three to four weeks. Much like
4 many of the Tri Energy investors, the H & J investor was told that his money was going toward a gold
5 transaction in the Middle East. The H & J investor was told that his investment was secured by coal mining
6 operation owned by H & J Energy.

7 III. Misrepresentations and Omissions

8 19. The offering material provided by to investors failed to provide financial statements for Tri
9 Energy, H & J Energy or Marina Investors Group. H & J Energy and Tri Energy investors were not provided
10 with material information regarding the current and long-term profitability expectations for the coal mines
11 purportedly controlled by H & J Energy and Tri Energy. Additionally, investors were not provided with
12 material information regarding the ability of Tri Energy and Marina Investors Group to pay their stated rates of
13 investment return.

14 IV. Registration Status

15 20. H & J Energy, Marina Investors Group and Tri Energy are not currently registered to sell their
16 offering of investment opportunities in the state of Washington and have not previously been so registered.

17 21. Avery, Decker, Jennings, Jones, Simburg, Mildred Stultz and Ronald Stultz are not currently
18 registered as securities salespersons or broker-dealers in the state of Washington.

19 Based upon the above Findings of Fact, the following Conclusions of Law are made:

20 **CONCLUSIONS OF LAW**

21 I. Securities

22 22. The offer and/or sale of the investment opportunities described above constitutes the offer and/or
23 sale of a security as defined in RCW 21.20.005 (10) and (12).

1 II. Anti-Fraud Provision

2 23. The offer and/or sale of said securities was made in violation of RCW 21.20.010 because, as set
3 forth in the Tentative Findings of Fact, Respondents misstated or omitted to state material facts necessary in
4 order to make the statements made, in the light of the circumstances under which they were made, not
5 misleading.

6 III. Registration of Securities

7 24. The offer and/or sale of said securities is in violation of RCW 21.20.140, the registration section
8 of the Securities Act, because no registration for such offer and/or sale is on file with the Securities
9 Administrator of the state of Washington.

10 IV. Registration of Broker-Dealer and Salespersons

11 25. Respondent Jones has violated RCW 21.20.040 by offering and/or selling said securities while
12 not being registered as a broker-dealer or securities salesperson in the state of Washington.

13 **FINAL ORDER**

14 Based on the foregoing:

15 It is hereby ORDERED that the Respondents, Marina Investors Group and Henry Jones, and their
16 agents and employees, each cease and desist from offering and/or selling securities in any manner in
17 violation of RCW 21.20.140, the section of the Securities Act of Washington requiring registration.

18 It is further ORDERED that Marina Investors Group and Henry Jones, and their agents and
19 employees, each cease and desist from violation of RCW 21.20.010, the anti-fraud section of the
20 Securities Act.
21

1 It is further ORDERED that Marina Investors Group and Henry Jones, and their agents and
2 employees, each cease and desist from violation of RCW 21.20.040, the broker-dealer and securities
3 salesperson registration section of the Securities Act.

4 It is further ORDERED that Marina Investors Group and Henry Jones shall each be jointly and
5 severally liable for and shall pay: (1) a fine of \$100,000 and (2) the costs, fees, and other expenses
6 incurred in the conduct of investigating this matter, in any amount not less than \$3,000.

7 **AUTHORITY AND PROCEDURE**

8 This Final Order is entered pursuant to the provisions 21.20.390, and is subject to the provisions
9 of Chapter 34.05 RCW. Respondents have the right to petition the superior court for judicial review of
10 this agency action under the provisions of chapter 34.05 RCW. For the provisions for filing a Petition for
11 Judicial Review, see RCW 34.050.510 and sections following. Pursuant to 21.20.395, a certified copy
12 of this order may be filed in Superior Court. If so filed, the clerk shall treat the order in the same
13 manner as a Superior Court judgment as to the fine, and the fine may be recorded, enforced, or
14 satisfied in like manner.
15

16 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

17
18 DATED and ENTERED this 13th day of June, 2005.

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21 _____
22 MICHAEL E. STEVENSON
23 Securities Administrator

24
25 ENTRY OF FINDINGS OF FACT AND CONCLUSIONS
26 OF LAW AND FINAL ORDER TO CEASE AND
27 DESIST

1 Approved by:

Presented by:

2 *Martin Cordell*

3 *Tyler Letey*

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5 Martin Cordell
6 Chief of Enforcement

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8 Tyler Letey
9 Financial Legal Examiner

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