

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
DIVISION OF SECURITIES
1511 PONTIAC AVENUE, BUILDING 69-1
CRANSTON, RHODE ISLAND 02920

IN THE MATTER OF	:	<u>EMERGENCY ORDER TO CEASE</u>
	:	<u>AND DESIST; NOTICE OF</u>
VENTRUM ENERGY CORP.	:	<u>OPPORTUNITY FOR HEARING;</u>
VENTRUM LOUISIANA, LLP.	:	<u>AND NOTICE OF INTENT TO</u>
VENTRUM LOUISIANA LLP, PHASE 2	:	<u>IMPOSE CIVIL PENALTY UNDER</u>
ANDREW VANSLEE, MANAGING PARTNER:	:	<u>SECTION 602 AND 712</u>
AND AARON BERGMAN, REPRESENTATIVE:	:	
INDIVIDUALLY	:	
	:	
Respondents	:	
	:	

I.

Pursuant to Sections 602 and 712 of the Rhode Island Uniform Securities Act of 1990 (“RIUSA”), §7-11-101 *et seq.* of the Rhode Island General Laws, 1989, as amended (the “RIUSA”), the Director of the Rhode Island Department of Business Regulation (“Director”) issues this Emergency Order to Cease and Desist; Notice of Opportunity for a Hearing (“Notice”) and Notice of Intent to Impose Civil Penalty under Sections 602 and 712 with regard to the above referenced Respondents. This Order is effective upon issuance.

II.

The Director makes the following findings of fact and conclusions of law with respect to this order:

1. Upon information and belief Ventrum Energy, Corp. (“Respondent Ventrum Energy”) is a business entity headquartered in the State of Nevada and doing business in the State of Rhode Island.
2. Upon information and belief Ventrum Louisiana, LLP and Ventrum Louisiana Phase 2. (“Respondent Ventrum Louisiana”) are business entities headquartered in the State of Nevada and doing business in the State of Rhode Island.
3. Upon information and belief, Andrew VanSlee (“Respondent VanSlee”) is the Managing Partner of Ventrum Energy Corp.
4. Upon information and belief, Aaron Bergman (“Respondent Bergman”) is an employee of Ventrum Energy, Corp.
5. On February 23, 2016 the Rhode Island Department of Business Regulation, Securities Division, (the” Division”) received a complaint from one F.Z. (the “Complainant”) an elderly citizen, age 64 years, who resides in North Smithfield, Rhode Island.
6. The Complainant reported that in February 2012 a previously unknown person identifying himself as Aaron Bergman, representing Respondent Ventrum Energy, Corp., telephonically solicited the Complainant to invest in an Oil and Gas Partnership identified as the Ventrum Louisiana LLP sponsored by Respondent Ventrum Energy, Corp.
7. The Complainant reported after several follow up calls with a person identified as Aaron Bergman, representing Respondent Ventrum Energy, provided the complainant with industry research and company news on the product. It was then the complainant agreed to invest.

8. On February 15, 2013 the Complainant sent a check in the amount of Twenty-Five Thousand Dollars (\$25,000.00) drafted from his personal checking account Bank of America payable to Ventrum Louisiana, LLP for the purchase of .25 units.
9. On July 3, 2013 the Complainant sent a check in the amount of Five Thousand Dollars (\$5,000.00) drafted from his personal checking account Bank of America payable to the Ventrum Louisiana, LLP for the purchase of an additional .05 units.
10. In December 2015, the Complainant submitted a letter to the managing director seeking information regarding the investments in which he has made and requested a response within forty five (45) days of receipt of the letter requesting seeking the return of his investment.
11. In December 2015 the Complainant received a check from Ventrum Louisiana LLP as a result of the December, 2015 letter in the amount of One thousand three hundred seven dollars and two cents (\$1,307.02) as a return on his investment.
12. A request for information by the Division was sent on April 21, 2016 to three different addresses provided by the complainant to Respondents Ventrum Energy and Andrew VanSlee. No responses were received.
13. On May 12, 2016 one of the three letters addressed to Mr. Andrew VanSlee, Ventrum Energy Corporation 9107 Wilshire Blvd., STE 450 Beverly Hills, California 90210 was returned to the Division as undeliverable.
14. Further research by the Division and several discussions with the complainant found that the company was dissolved as a corporation in the State of Nevada and attempts to reach them by telephone were futile as the telephone numbers were disconnected.

15. At the time of the solicitation and sale to the Complainant the investment opportunity offered by Respondent Ventrum Energy Corp., in the form of a fractional undivided interest in an oil, gas or other mineral lease, were defined as a “*security*” under 7-11-101 (22) of the RIUSA.
16. At all times relevant to this matter, neither Respondent VanSlee, nor Respondent Bergman both representing Ventrum Energy, Corp. were not licensed to transact securities business as registered representatives in this State in violation of § 7-11-201 of the RIUSA.
17. At all times relevant to this matter the securities offered by Ventrum Energy Corp., Ventrum Louisiana LLP, nor Ventrum Louisiana LLP, Phase 2 were not, nor had they ever been, registered with the State of Rhode Island in accordance with § 7-11-301 of the RIUSA.
18. Registration records maintained by the Securities and Exchange Commission (the “Commission”) on its EDGAR (“Electronic Data Gathering, Analysis and Retrieval”) database show a Regulation D Exempt Offering was on record at the time of the solicitation and sale of the securities to the Complainant by Ventrum Energy Corp.
19. The effecting of transactions in securities by persons not licensed to do so, through the offer to sell, or sell, unregistered securities, and not disclosing relevant information thereto creates an immediate danger to the public welfare in that it invites the public to place funds with an unregistered entity without the benefit of full disclosure directed by Section 501 of the RIUSA. Further, the person or persons involved appear not to have complied with the license and registration requirements of Sections 201 and 301 of the RIUSA, increasing the likelihood that non-accredited, non-sophisticated, investors will

become victims of securities fraud schemes. Specifically, investors will not be adequately protected from illegal sales practices and/or material misstatements or omissions if unregistered securities are permitted to be sold outside of the regulatory scheme.

COUNT I

VIOLATION OF § 7-11-201 BY OFFERING TO SELL OR SELL A SECURITY IN THIS STATE BY A PERSON WITHOUT BENEFIT OF REGISTRATION OR AN EXEMPTION FROM REGISTRATION

1. The Division herein restates the allegations and facts set forth in paragraphs one through fourteen.
2. R.I. Gen. Laws § 7-11-201 provides that no person may transact business in this state as a broker-dealer or sales representative unless licensed or exempt from licensing under this chapter.
3. Respondents unlawfully transacted securities business in the State of Rhode without the benefit of licensing in violation of the RIUSA.

COUNT II

VIOLATION OF § 7-11-301 BY OFFERING TO SELL OR SELL A SECURITY IN THIS STATE THAT IS NOT REGISTERED OR EXEMPT FROM REGISTRATION

4. The Division herein restates the allegations and facts set forth in paragraphs one through fourteen.
5. R.I. Gen. Laws § 7-11-301 provides that no person may offer to sell or sell a security in this state unless the security is registered or exempt from registration under this chapter.
6. Respondents unlawfully transacted business in the State of Rhode Island through the sale of an unregistered security, in violation of the RIUSA.

COUNT III

VIOLATION OF § 7-11-501 OMITTING TO STATE A MATERIAL FACT

7. The Division herein restates the allegations and facts set forth in paragraphs one through fourteen.
8. R.I. Gen. Laws § 7-11-501 (2) provides that in connection with the offer or sale of a security a person may not make an untrue statement or omit to state a material fact necessary in order to make the statement made, in light of the circumstances under which it was made, not misleading.
9. Respondents omitted material facts in the offer and sale of securities.

III.

Based upon the foregoing, the Director determines that the following action is necessary to prevent or avoid an immediate danger to the public welfare, that it is in the public interest, appropriate for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the RIUSA.

Accordingly, IT IS HEREBY ORDERED THAT:

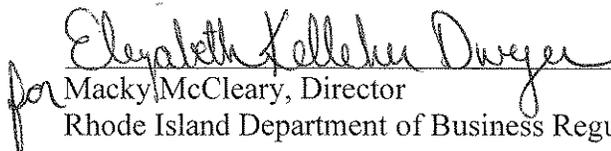
- (1) Respondents and any person associated therewith shall immediately cease and desist from any further violation of Sections 201, 301, and 501 of the RIUSA.
- (2) Respondents and any person associated therewith shall retain and maintain all written and computer records regarding its business activities and the subject offers and sales until further order of the Director.

Therefore, unless the Director receives a written request for a hearing and answer to this Notice within thirty (30) days of the date of this Notice, the Director will regard Respondents as

having been provided notice and an opportunity for hearing, and as having waived the right to a hearing, and the Order will become final. If the Director receives a request for a hearing within thirty (30) days of the date of this Notice, the Director shall set the matter for hearing no more than sixty (60) nor less than twenty (20) days from the receipt of the request for hearing and shall promptly notify the parties of the time and place for hearing. If no hearing is requested and none is ordered by the Director, the Order becomes permanent on the thirtieth (30th) day after its entry and remains in effect unless or until modified or vacated by the Director.

Pursuant to § 7-11-602, if the Director reasonably believes that a violation of RIUSA has occurred, he may (after such further notice and hearing in an administrative proceeding unless the right to notice and hearing is waived by a person against whom the sanction is imposed), impose a civil penalty up to a maximum of ten thousand (\$10,000) for a single violation, in addition to any specific powers granted under R.I. Gen. Laws § 7-11-101 *et seq.*

Dated this 14th day of October, 2016


for Macky McCleary, Director
Rhode Island Department of Business Regulation

THE DIRECTOR RESERVES THE RIGHT TO PUBLISH A NOTICE OF THIS ORDER IN A NEWSPAPER OF GENERAL CIRCULATION IN THE STATE OF RHODE ISLAND.

CERTIFICATION

I hereby certify on this ___ day of October, 2016 that a copy of the within Emergency Cease and Desist Order was mailed by certified mail and first class mail to

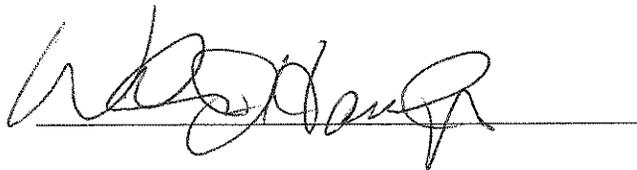
Ventrum Energy Corporation, Ventrum Louisiana, LLP, Ventrum Louisiana LLP, Phase 2
3007 West Horizon Ridge Parkway #240,
Henderson, Nevada 89052

Mr. Andrew Van Slee, Managing Partner
Ventrum Energy Corporation
9107 Wilshire Blvd STE
Beverly Hills, CA 90210

Mr. Andrew VanSlee
Ventrum Energy Corporation
4133 Via Marina Ave #104
Marina DelRey, CA 90292

Ventrum Energy Corp.
4550 N.W. Newberry Hill Rd STE 202
Silverdale, WA 98383

Mr. Aaron Bergman
3007 West Horizon Ridge Parkway #240,
Henderson, Nevada 89052

A handwritten signature in black ink, appearing to read 'Aaron Bergman', is written over a horizontal line.