



STATE OF MISSOURI  
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF: )  
)  
CRISTOL ENTERPRISES, LLC; )  
CRISTEA HOLDINGS, LLC; CHRISTOPHER ) Case No. AP-14-03  
CRISTEA; and DAVID COREY TOLLE, )  
)  
*Respondents.* )

**FINAL ORDER TO CEASE AND DESIST AND ORDER  
AWARDING RESTITUTION, CIVIL PENALTIES, AND COSTS**

Now on the 14th day of September, 2017, the Commissioner, having reviewed this matter and considered all papers and arguments offered, for good cause shown issues the following findings and order:

**I. PROCEDURAL BACKGROUND**

1. On February 11, 2014, the Enforcement Section of the Missouri Securities Division of the Office of the Secretary of State (“Enforcement Section”) submitted a Petition for Order to Cease and Desist and Order to Show Cause why Restitution, Civil Penalties, and Costs should not be Imposed (“Petition”).
2. On February 24, 2014, the Commissioner issued an Order to Cease and Desist and Order to Show Cause why Restitution, Civil Penalties, and Costs should not be Imposed against Respondents (“Order to Cease and Desist”).
3. The Order to Cease and Desist was served on Respondents through their then-counsel on February 27, 2014.
4. On March 18, 2014, Respondents’ then counsel wrote to the Commissioner indicating that he was the attorney for all Respondents and that he was in discussions with the Enforcement Section regarding a resolution of this matter. No resolution was ever submitted to the Commissioner.
5. On February 10, 2016, the Enforcement Section filed a Motion for Final Order; Statement of Penalties, Costs, & Restitution as to all Respondents; and an Affidavit in Support of the Motion for Final Order.

6. On March 10, 2016, Respondent David Corey Tolle filed a request for a hearing on the Motion for Final Order.
7. On March 15, 2016, the Commissioner ordered a hearing on the Motion for Final Order as to Respondent Tolle.
8. On March 22, 2016, a status conference was held with Respondent Tolle and Mary Hosmer on behalf of the Enforcement Section appearing via phone.
9. On April 15, 2016, a status conference was held with Respondent Tolle and Mary Hosmer on behalf of the Enforcement Section appearing via phone.
10. On June 6, 2016, a status conference was held with Respondent Tolle and Mary Hosmer on behalf of the Enforcement Section appearing via phone.
11. On June 21, 2016, a hearing on the Motion for Final Order as to Respondent Tolle was held. Respondent Tolle appeared via phone and Mary Hosmer appeared in person on behalf of the Enforcement Section. Respondent Tolle did not dispute the facts in the Proposed Final Order or the amounts stated in the Statement of Penalties, Costs, & Restitution. Instead, Respondent Tolle disputed whether he should be held accountable to the same extent as the other Respondents. The Enforcement Section argued that Respondent Tolle was a managing member of Cristol and had knowledge or should have had knowledge that investor funds were being misused, and as such Respondent Tolle should be held responsible.

## **II. FINDINGS OF FACT**

### **A. Respondents and Related Parties**

12. Cristol Enterprises, LLC (“Cristol”), is a Nevada limited liability company purported to be in the business of exploratory mining. Cristol’s registered agent for purposes of service is CSC Services of Nevada, Incorporated with a mailing address of 2215-B Renaissance Drive, Las Vegas, Nevada 89119.
13. Cristea Holdings, LLC (“Cristea Holdings”), is a Missouri limited liability company and Cristea Holdings’ registered agent for purposes of service is National Registered Agents, Inc. with a mailing address of 120 South Central Avenue, Clayton, Missouri 63105.
14. Christopher Michael Cristea (“Cristea”) is a managing member of Cristol with a mailing address of 870 Innisfree Drive, St. Charles, Missouri 63301.
15. David Corey Tolle (“Tolle”) is a managing member of Cristol with a mailing address of 256 Stiles Drive, Wentzville, Missouri 63385.

16. Donna Marie Andres (“Andres”), purported to be an agent of Cristol, has Central Registration Depository (“CRD”) number 1892251, and a last known mailing address of 50 West Park Drive, O’Fallon, Missouri 63366. On June 8, 1999, Andres was barred from association with any Financial Industry Regulatory Authority (“FINRA”) (formerly the National Association of Securities Dealers, or NASD) member in any capacity, for endorsing and depositing checks into Andres’ personal bank account that was made payable to the firm where Andres was employed.
17. As used herein, the term “Respondents” refers to Cristol, Cristea Holdings, Cristea, and Tolle.
18. A check of the records maintained by the Commissioner indicates that at all times relevant, Cristol and Cristea Holdings were not registered as broker-dealers in the State of Missouri.
19. A check of the records maintained by the Commissioner indicates that at all times relevant, Cristea, Tolle, and Andres were not registered as agents with the State of Missouri.
20. A check of the records maintained by the Commissioner indicates that at all times relevant, there was no registration, granted exemption, or notice filing indicating status as a “federal covered security” for the securities offered and/or sold by Respondents Cristol, Cristea, and Tolle.
21. The Enforcement Section’s investigation revealed that there were no filings with the Securities and Exchange Commission (“SEC”) or the Commissioner on behalf of Cristol and/or Cristea to offer Cristol’s membership units or promissory notes.

**B. Enforcement Section Investigation**

**Membership Units**

**Missouri Resident 1**

22. In or around March 2010, Andres told a 46-year-old O’Fallon, Missouri resident (“MR1”) about an investment opportunity in Cristol.
23. In March 2010, Cristea met with MR1 in Missouri. According to MR1, Cristea told MR1, among other things, that:
  - a. Cristea and/or Cristol owned mines in Liberia and Oregon;
  - b. MR1’s investment would be used to purchase equipment to begin the mining operation in Liberia;
  - c. MR1’s principal from the investment would be returned by June 2010; and

- d. after MR1's principal was returned, MR1 would receive 25% of Cristol's profits every month.
24. On or about March 10, 2010, Cristea sent an e-mail to MR1 that included a Cristol subscription agreement ("MR1 Subscription Agreement").<sup>1</sup> The MR1 Subscription Agreement set forth, among other things, that:
    - a. MR1 was an "accredited investor;" and
    - b. MR1 would purchase 100,000 membership units in Cristol for \$100,000.
  25. On March 11, 2010, pursuant to Cristea's instructions, MR1 initialed and executed the MR1 Subscription Agreement indicating, among other things, that MR1 was an accredited investor.
  26. MR1 stated to one of the Enforcement Section's investigators that MR1 did not know the definition of an accredited investor. After the investigator provided the definition of an accredited investor to MR1, MR1 stated that MR1 was not an accredited investor.
  27. On March 30, 2010, MR1 gave Cristea a check in the amount of \$100,000 made payable to Cristea Holdings, which was deposited into a bank account at Commerce Bank in Clayton, Missouri ("Cristea Holdings Account").
  28. After not receiving the return of MR1's principal in June 2010, MR1 sent Cristea a certified letter on October 26, 2010, demanding the return of MR1's investment.
  29. As of February 2014, MR1 had not received a return of principal or any earnings on MR1's investment.

#### **Missouri Residents 2, 3, and 4**

30. In or around April 2010, a 55-year-old St. Louis, Missouri resident ("MR2"), a 54-year-old St. Louis, Missouri resident ("MR3"), and a 53-year-old St. Louis, Missouri resident ("MR4") met with Cristea in Missouri. Andres told MR2 about the investment opportunity in Cristol. According to MR2, MR3, and/or MR4, Cristea stated at the meeting, among other things, that:
  - a. Cristea and/or Cristol owned seven or eight properties, including mines in Arizona, Oregon, and Liberia;
  - b. Cristea was looking for investors to each invest \$50,000;
  - c. investment funds would be used for helicopters, permits for the Arizona and

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<sup>1</sup>Cristea e-mailed MR1 and stated, among other things, "attached is the Subscription Agreement . . . . Please make sure you initial all of the lines . . ."

Oregon mines, and a system to provide water for the Oregon mine;

- d. for a \$50,000 investment, each investor would receive a return of 5½ times their investment on or before January 2011;
- e. by April 2011, each investor would receive an additional return of \$170,000 per month;
- f. the investment was low risk; and
- g. “outside of a natural disaster or war, there shouldn’t be anything that goes wrong.”

### MR2

- 31. On or before May 27, 2010, MR2 received a Cristol subscription agreement (“MR2 Subscription Agreement”). This MR2 Subscription Agreement set forth, among other things, that MR2 offered to purchase 50,000 membership units in Cristol for \$50,000.
- 32. On or about May 27, 2010, MR2 executed the MR2 Subscription Agreement. MR2 did not initial any of the signature lines contained in the MR2 Subscription Agreement, relating to, among other things, MR2’s status as an accredited investor.
- 33. In or around May 2010, MR2 invested \$42,750 in Cristol.<sup>2</sup>
- 34. Although MR2 invested only \$42,750, Cristea issued 50,000 membership units in Cristol to MR2.
- 35. MR2 stated to one of the Enforcement Section’s investigators that MR2 is not an accredited investor.

### MR3

- 36. On or about May 26, 2010, Andres sent MR3 an e-mail that included a Cristol subscription agreement (“MR3 Subscription Agreement”). The MR3 Subscription Agreement set forth, among other things, that:
  - a. MR3 offered to purchase 50,000 membership units in Cristol for \$50,000; and
  - b. MR3 was an “accredited investor.”
- 37. On May 26, 2010, pursuant to Cristea’s instructions, MR3 initialed and executed the MR3 Subscription Agreement indicating, among other things, that MR3 was an accredited investor.

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<sup>2</sup> MR2 invested by sending funds through another investor described below as MR5.

38. On May 26, 2010, MR3 wired \$40,000 to the Cristea Holdings Account.
39. Although MR3 invested only \$40,000, Cristea issued 50,000 membership units in Cristol to MR3.
40. MR3 stated to one of the Enforcement Section's investigators that MR3 did not know the definition of an accredited investor. After the investigator provided the definition of an accredited investor to MR3, MR3 stated that MR3 was not an accredited investor.

#### MR4

41. On or about May 19, 2010, Andres sent MR4 an e-mail that included a Cristol subscription agreement ("MR4 Subscription Agreement") and wire instructions to the Cristea Holdings Account. The MR4 Subscription Agreement set forth, among other things, that:
  - a. MR4 offered to purchase 50,000 membership units in Cristol for \$50,000; and
  - b. MR4 was an "accredited investor."
42. On May 21, 2010, MR4 wired \$20,000 to the Cristea Holdings Account.
43. On May 27, 2010, MR4 executed the MR4 Subscription Agreement. MR4 did not initial any of the signature lines contained in the MR4 Subscription Agreement, relating to, among other things, MR4's status as an accredited investor.<sup>3</sup>
44. On May 28, 2010, MR4 wired an additional \$24,000 to the Cristea Holdings Account.
45. Although MR4 invested only \$44,000, Cristea issued 50,000 membership units of Cristol to MR4.
46. On July 22, 2010, Andres sent MR3 and MR4 an e-mail with an attachment titled Cristol Enterprises, LLC Private Placement Memorandum ("Cristol PPM"), which provided, among other things, that:
  - a. Cristol was offering securities pursuant to an exemption from registration under Rule 506 of Regulation D and exemptions available under applicable state securities laws and regulations;
  - b. the offering was only available to accredited investors;
  - c. Cristol had a portfolio of three mining projects in Arizona, Oregon, and Liberia;
  - d. the potential value of the Arizona project was "as much as \$1.15 billion"; and

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<sup>3</sup> The Enforcement Section has not received any information indicating that MR4 qualifies as an accredited investor.

- e. the startup expenses for the Arizona project were \$600,000.

### **Missouri Resident 5**

- 47. Prior to May 26, 2010, a 58-year-old St. Louis, Missouri resident (“MR5”) heard about an investment in Cristol from MR2. MR5 met with Cristea in Missouri to discuss the investment opportunity.
- 48. At this meeting, Cristea provided MR5 with a summary of Cristol projects, which included mining projects in Arizona, Oregon, and Liberia.
- 49. In or around May 2010, MR5 received and executed a Cristol subscription agreement (“MR5 Subscription Agreement”). The MR5 Subscription Agreement set forth, among other things, that:
  - a. MR5 offered to purchase 50,000 membership units in Cristol for \$50,000; and
  - b. MR5 was an “accredited investor.”
- 50. On May 26, 2010, MR5 wired \$92,750 to the Cristea Holdings Account. This amount included the \$42,750 for MR2’s investment as described above.

### **Promissory Notes**

#### **MR2, MR3, and MR4**

- 51. Prior to August 30, 2010, Cristea and Andres met with MR2, MR3, and MR4 in Missouri to discuss an opportunity to invest additional funds with Cristol and Cristea through a promissory note. According to MR2, MR3, and/or MR4, Cristea stated, among other things, that:
  - a. the money would “enhance the ability of Cristol to move forward” on the mining project;
  - b. MR2, MR3, and/or MR4 would each receive a \$15,000 return on their promissory note investment within 20 days; and
  - c. daily interest totaling \$1,000 per day would accrue every day thereafter.
- 52. On or about August 30, 2010, MR3 wrote a check made payable to Cristea Holdings in the amount of \$40,000 for the promissory note with Cristol and Cristea. MR3’s funds were deposited in the Cristea Holdings Account on August 30, 2010.
- 53. On or about August 30, 2010, MR4 wrote a check made payable to Cristea Holdings in the amount of \$40,000 for a promissory note with Cristol and Cristea. MR4’s funds were

deposited in the Cristea Holdings Account on August 30, 2010.<sup>4</sup>

54. On or about August 30, 2010, Cristea and/or Cristol issued MR3 and MR4 each a promissory note that reflected, among other things, the following:
- a. a loan amount totaling \$40,000;
  - b. a promise by Cristea and Cristol to pay \$55,000 within 20 days upon receipt of the investment funds;
  - c. a pledge by Cristol of 20,000 membership units within 20 days of receipt of the funds from the investor; and
  - d. interest would accrue at the rate of \$1,000 per day beginning on the 21<sup>st</sup> day from the execution of the promissory note.

#### **Additional Findings**

55. On May 10, 2012, Cristea appeared before the Enforcement Section for an on-the-record examination (“Cristea OTR”). During the Cristea OTR, Cristea stated, among other things, that:
- a. Cristea and Tolle formed Cristol to conduct exploratory mining;
  - b. Cristea and Tolle decided to seek investors in Cristol;
  - c. Cristea told Andres about Cristol;
  - d. Andres wanted to be involved in procuring funds for Cristol in exchange for ownership in Cristol;
  - e. Andres claimed to have a background in securities;
  - f. Cristea did not verify whether Andres was registered in Missouri to sell securities;
  - g. Andres was to procure \$3.5 million in investment funds for Cristol and, in return, Andres would receive a 2% ownership in Cristol;
  - h. Andres solicited MR1, MR2, MR3, MR4, and MR5 to invest in Cristol. These individuals invested approximately \$300,000 in Cristol;
  - i. Andres provided potential investors with materials about the Cristol investment;
  - j. Andres failed to secure investments totaling \$3.5 million and, therefore, did not receive a percentage of ownership in Cristol;

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<sup>4</sup> MR2 did not invest additional funds with Cristol and Cristea through a promissory note.



- k. Andres drafted the promissory notes that were issued to MR3 and MR4;
  - l. Cristea met with MR1, MR2, MR3, MR4, and MR5 prior to their investments, and Cristea told them about the investment opportunities in Cristol;
  - m. Cristea told investors that the investments would be for a project in Arizona and potential projects in Oregon and West Africa;
  - n. Tolle solicited at least six Missouri residents to invest funds with Cristol;
  - o. Cristea did not ascertain whether MR1, MR2, MR3, or MR4 were accredited investors;
  - p. investor funds in Cristol were deposited in the Cristea Holdings Account;
  - q. Cristea and Cristea's spouse were the sole signatories on the Cristea Holdings Account;
  - r. investor funds in Cristol were used as payment to at least two entities involved in the mining process in Arizona;
  - s. Cristea had never taken a draw or salary from Cristol;
  - t. MR3's and MR4's promissory note investments were for the funding of an insurance policy;
  - u. neither MR3 nor MR4 had received any interest on or repayment of the promissory notes; and
  - v. at the time of the Cristea OTR, Cristol had no funds.
56. A review of the bank records for the Cristea Holdings Account revealed that at least some investment funds from MR1, MR2, MR3, MR4, and MR5 were commingled with other funds in the Cristea Holdings Account and used for, among other things, payments of:
- a. at least \$44,000 to Cristea's former church, Willott Road Community Church;
  - b. at least \$80,000 to a bank account in Cristea's name at Commerce Bank ("Cristea Personal Account") that were used for at least some personal expenditures;
  - c. at least \$15,900 to Tolle;
  - d. at least \$16,300 to Aspire Beauty Academy;
  - e. at least \$25,000 to another investor in Cristol;

- f. \$10,000 to Andres; and
  - g. \$15,000 to Cristea's mother.
57. On August 22, 2012, Tolle appeared before the Enforcement Section for an on-the-record examination ("Tolle OTR"). During the Tolle OTR, Tolle stated, among other things, that:
- a. Tolle's job was to handle "operations on the ground";
  - b. Cristea's role was to handle the accounting systems and distributions of payments for the projects;
  - c. Tolle understood that Cristea utilized the Cristea Holdings Account for Cristol investment funds and other ventures of Cristea, including providing student loans to "girls that need them";
  - d. Tolle met with at least eight Missouri residents about investing in Cristol ("MR6-MR13");
  - e. Tolle told MR6-MR13 that funds invested in Cristol would be used for operational and drilling costs for the Arizona project;
  - f. MR6-MR13 invested funds with Cristol; and
  - g. Cristol currently had a "facilitator" working to acquire additional funding for Cristol.
58. Cristea and Cristol failed to disclose to MR1, MR2, MR3, MR4, and MR5, among other things:
- a. that the membership units in Cristol and the promissory notes issued by Cristol and Cristea were not registered or exempt from registration in the State of Missouri;
  - b. that Cristea, Tolle, and Andres were not registered to offer or sell securities in the State of Missouri;
  - c. that Andres was barred from association with any FINRA member in any capacity;
  - d. the definition of an accredited investor;
  - e. the financial condition of Cristol and Cristea Holdings;

- f. that investment funds would be commingled with Cristea’s personal funds; and
  - g. that some investors paid less than the full amount for membership units.
59. The Affidavit in Support of the Motion for Final Order stated, among other things, that:
- a. the investigator had reviewed records of 14 Missouri investors and one Texas investor who were offered and sold securities by the Respondents in this matter;
  - b. the acts, practices, and course of business engaged in by the Respondents, as detailed in the Petition and the Order to Cease and Desist, was typical of the conduct engaged in by the Respondents with all of these investors;
  - c. the investigator reviewed offering materials, subscription agreements, bank records, and other information regarding the investments that revealed individuals not specifically detailed in paragraphs 22 through 54 above (MR6 through MR14 and TXR1) lost \$394,300 in investments in Cristol, as follows:
    - i. on or around September 11, 2009, an O’Fallon, Missouri resident (“MR6”) invested \$50,000 with Respondents;
    - ii. on or around October 12, 2009, a St. Charles, Missouri resident (“MR7”) invested \$50,000 with Respondents;
    - iii. on or around October 22, 2009, an O’Fallon, Missouri resident (“MR8”) invested \$50,000 with Respondents;
    - iv. on or around October 22, 2009, a St. Charles, Missouri resident (“MR9”) invested \$50,000 with Respondents;
    - v. on or around December 10, 2009, a St. Charles, Missouri resident (“MR10”) invested \$100,000 with Respondents;
    - vi. on or around March 3, 2010, a St. Peters, Missouri resident (“MR11”) invested \$5,000 with Respondents;
    - vii. on or around March 3, 2010, a St. Charles, Missouri resident (“MR12”) invested \$5,000 with Respondents;
    - viii. on or around March 17, 2010, a St. Louis, Missouri resident (“MR13”) invested \$50,000 with Respondents;
    - ix. on or around July 28, 2010, and March 4, 2011, a Wentzville, Missouri resident (“MR14”) invested a total of \$19,300 with Respondents; and

- x. on or around August 31, 2009, a Perryton, Texas resident (“TXR1”) submitted an executed subscription agreement that was accepted by Respondents in Missouri and invested \$15,000 with Respondents.
60. The Statement of Penalties, Costs, & Restitution states that Respondents owe restitution to all victims in this matter (MR1, MR2, MR3, MR4, MR5, MR6, MR7, MR8, MR9, MR10, MR11, MR12, MR13, MR14, and TXR1) in a total amount, including interest calculated at 8% annually from the date of investment (i.e., the date of the unregistered offer or sale) of \$1,079,255.
61. The Statement of Penalties, Costs, & Restitution stated that the total costs incurred in investigating this matter was \$6,547.75.

### **III. CONCLUSIONS OF LAW**

62. Because Respondents failed to request a hearing on the Order to Cease and Desist within the time allowed by Section 409.6-604, and because the Commissioner never ordered such a hearing, the Order to Cease and Desist became **FINAL** by operation of law on or around March 26, 2014.

#### **Multiple Violations of Offering and Selling Unregistered, Non-Exempt Securities**

63. **THE COMMISSIONER CONCLUDES** that Respondents Cristol, Cristea, and Tolle violated Section 409.3-301 when Respondents Cristol, Cristea, and Tolle offered and sold unregistered, non-exempt securities in the State of Missouri by, among other things:
- a. employing agents to solicit funds;
  - b. soliciting Missouri residents to invest in securities; and
  - c. receiving funds from the sale of securities to Missouri residents.
64. These activities constitute an offer and sale as those terms are defined in Section 409.1-102(26).
65. The membership units that Respondents Cristol, Cristea, and Tolle offered and sold to Missouri residents are securities, in that:
- a. Missouri residents invested funds in Cristol;
  - b. the fortunes of Cristol investors were interwoven with the those of other Cristol investors in a common enterprise; and
  - c. the investors expected a profit from Respondents’ efforts and not from investors’ own efforts.

66. These membership units that Respondents Cristol, Cristea, and Tolle offered and sold constitute securities as that term is defined in Sections 409.1-102(28).
67. At all times relevant to this matter, there was no registration, granted exemption, or notice filing indicating status as a “federal covered security” for the securities offered and sold by Respondents Cristol, Cristea, and Tolle.
68. Respondents Cristol, Cristea, and Tolle offered and sold securities in Missouri without these securities being (1) federal covered securities, (2) exempt from registration under Sections 409.2-201 or 409.2-203, or (3) registered under the Missouri Securities Act of 2003, in violation Section 409.3-301.
69. Respondents Cristol’s, Cristea’s, and Tolle’s conduct in violation of Section 409.3-301 constitutes an illegal act, practice, or course of business and such conduct is, therefore, subject to the Commissioner’s authority under Section 409.6-604.

#### **Materially Aiding the Offer and Sale of Unregistered Securities**

70. **THE COMMISSIONER FURTHER CONCLUDES** that Respondent Cristea Holdings violated Section 409.3-301 when Respondent Cristea Holdings materially aided at least one of Respondents Cristol’s, Cristea’s, and Tolle’s violations of Section 409.3-301, when it, among other things agreed to accept investor funds on behalf of Cristol, and deposited investor funds into the Cristea Holdings Account.
71. Respondent Cristea Holdings’ actions materially aided Respondents Cristol’s, Cristea’s, and Tolle’s actions in offering and selling securities in Missouri without these securities being (1) a federal covered security, (2) exempt from registration under Sections 409.2-201 or 409.2-203, or (3) registered under the Missouri Securities Act of 2003, in violation of Section 409.3-301.
72. Respondents Cristea Holdings’ conduct in violation of Section 409.3-301 constitutes an illegal act, practice, or course of business and such conduct is, therefore, subject to the Commissioner’s authority under Section 409.6-604.

#### **Multiple Violations of Transacting Business as an Unregistered Agent**

73. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents Cristea and Tolle violated Section 409.4-402(a) when they transacted business as unregistered agents in the State of Missouri.
74. Respondent Cristol acted as an issuer when it issued or proposed to issue securities in Missouri.
75. Respondents Cristea and Tolle effected or attempted to effect sales of these securities on behalf of Cristol.

76. In effecting or attempting to effect these sales of securities, Respondents Cristea and Tolle were acting as agents as that term is defined in Section 409.1-102(1).
77. At all times relevant, Respondents Cristea and Tolle were not registered as agents in the State of Missouri.
78. Respondents Cristea and Tolle transacted business in Missouri by offering and selling securities multiple times without being registered or exempt from registration as an agent in violation of Section 409.4-402(a).
79. Respondents Cristea's and Tolle's conduct in violation of 409.4-402(a) constitutes an illegal act, practice, or course of business and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

#### **Multiple Violations of Employing an Unregistered Agent**

80. **THE COMMISSIONER FURTHER CONCLUDES** that Respondent Cristol violated Section 409.4-402(d) when Respondent Cristol employed or associated with unregistered agents in the State of Missouri.
81. Cristea and Tolle offered and sold securities on behalf of Respondent Cristol.
82. Respondent Cristol's activities constitute employing or associating with an agent in the State of Missouri under Section 409.4-402(d).
83. At all times relevant to this matter, Respondent Cristol had no registration or granted exemption for any agents of Respondent Cristol to transact business in the State of Missouri.
84. Respondent Cristol employed or associated with Cristea and Tolle who transacted business in Missouri as agents without being registered or exempt from registration as agents, in violation Section 409.4-402(d).
85. Respondent Cristol's conduct in violation of Section 409.4-402(d) constitutes an illegal act, practice, or course of business and such conduct is, therefore, subject to the commissioner's authority under Section 409.6-604.

#### **Multiple Violations of Making an Untrue Statement, Omitting to State Material Facts or Engaging in An Act, Practice, or Course of Business that Would Operate as a Fraud or Deceit Upon Another Person in Connection with the Offer or Sale of a Security**

86. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents Cristol and Cristea violated Section 409.5-501, when, in connection with the offer and sale of securities to MR1, MR2, MR3, MR4, and MR5, Respondents Cristol and Cristea omitted to state material facts necessary in order to make the statements made, in light of the

circumstances under which they were made, not misleading, including, but not limited to, the following:

- a. that the membership units in Cristol and the promissory notes issued by Cristol and Cristea were not registered or exempt from registration in the State of Missouri;
  - b. that Cristea, Tolle, and Andres were not registered to offer or sell securities in the State of Missouri;
  - c. that Andres was barred from association with any FINRA member in any capacity;
  - d. the definition of an accredited investor;
  - e. the financial condition of Cristol;
  - f. that investment funds would be commingled with Cristea's personal funds; and/or
  - g. that some investors paid less than the full amount for membership units.
87. Respondents Cristol and Cristea omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made not misleading, in violation of Section 409.5-501.
88. Respondents Cristol's and Cristea's conduct in violation of Section 409.5-501, constitutes engaging in an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.
89. This order is in the public interest and is consistent with the purposes of the Missouri Securities Act of 2003. See Section 409.6-605(b).

#### **IV. ORDER**

**NOW THEREFORE**, it is hereby ordered that Respondents, their agents, employees and servants, and all other persons participating in or about to participate in the above-described violations with knowledge of this order are prohibited from violating or materially aiding in any violation of:

- A. Section 409.3-301, by offering or selling any securities as defined by Section 409.1-102(28), in the State of Missouri unless those securities are registered with the Securities Division of the Office of the Secretary of State in accordance with the provisions of Section 409.3-301;
- B. Section 409.4-402(a), by transacting business as an unregistered agent;
- C. Section 409.4-402(d), by employing an unregistered agent; and

- D. Section 409.5-501, by, in connection with the offer or sale of securities, making an untrue statement of a material fact or omitting to state a material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading or engaging in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

**IT IS FURTHER ORDERED** that, pursuant to Section 409.6-604(d), Respondents Cristol, Cristea, and Tolle shall each pay a civil penalty in the amount of \$10,000 for multiple violations of Section 409.3-301. This amount shall be made payable to the State of Missouri and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division, at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

**IT IS FURTHER ORDERED** that, pursuant to Section 409.6-604(d), Respondents Cristea and Tolle shall each pay a civil penalty in the amount of \$10,000 for multiple violations of Section 409.4-402(a). This amount shall be made payable to the State of Missouri and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division, at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

**IT IS FURTHER ORDERED** that, pursuant to Section 409.6-604(d), Respondent Cristol shall pay a civil penalty in the amount of \$10,000 for multiple violations of Section 409.4-402(d). This amount shall be made payable to the State of Missouri and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division, at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

**IT IS FURTHER ORDERED** that, pursuant to Section 409.6-604(d), Respondents Cristol and Cristea shall each pay a civil penalty in the amount of \$10,000 for multiple violations of Section 409.5-501. This amount shall be made payable to the State of Missouri and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division, at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

**IT IS FURTHER ORDERED** that, pursuant to Section 409.6-604(d), Respondents shall pay, jointly and severally, restitution and interest in the amount of \$1,079,255 for multiple violations of Sections 409.3-301, 409.4-402, and 409.5-501. This amount shall be made payable to the Missouri Secretary of State's Investor Restitution Fund, and the Commissioner will take reasonable and necessary actions to distribute such funds to those persons referenced in Exhibit 1. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102, within 30 days from the date of this Final Order.

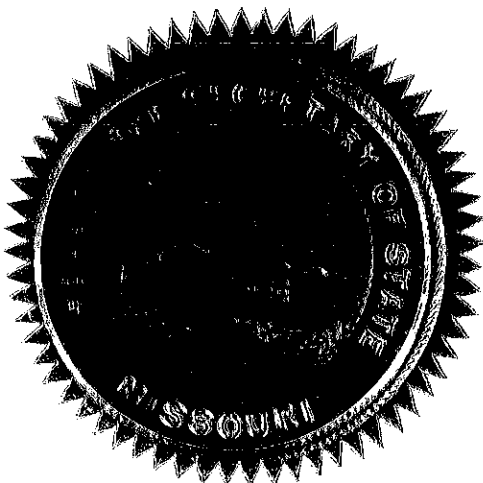


**IT IS FURTHER ORDERED** that pursuant to Section 409.6-604(e), Respondents shall pay, jointly and severally, \$6,547.75 in actual costs for investigation into, and the proceedings associated with, this matter. This amount shall be made payable to the Investor Education and Protection Fund and paid within 30 days of the date of this Final Order. This amount shall be sent to the Missouri Securities Division, at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

**IT IS FURTHER ORDERED** that Respondents shall pay their own costs and attorney's fees in this matter.

**SO ORDERED:**

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,  
MISSOURI THIS 14th DAY OF SEPTEMBER, 2017.



JOHN R. ASHCROFT  
SECRETARY OF STATE

A handwritten signature in cursive script, appearing to read "David M. Minnick", written over a horizontal line.

DAVID M. MINNICK  
COMMISSIONER OF SECURITIES

CERTIFICATE OF SERVICE

I hereby certify that on this 14<sup>th</sup> day of September, 2017, a copy of the foregoing Final Order to Cease and Desist and Order Awarding Restitution, Civil Penalties, and Costs, in the above styled case was **mailed by Certified U.S. mail to:**

Cristol Enterprises, LLC  
c/o David Corey Tolle  
901 North Lima, Apt. 1  
Mt. Zion, Illinois 62549

Cristea Holdings, LLC  
National Registered Agents, Inc.  
120 South Central Avenue  
Clayton, Missouri 63105

Christopher Cristea  
c/o Lincoln County Jail  
65 Business Park Drive  
Troy, Missouri 63379

David Corey Tolle  
901 North Lima, Apt. 1  
Mt. Zion, Illinois 62549

**and by email to:**

David Tolle [corey.tolle@icloud.com](mailto:corey.tolle@icloud.com)  
Rello Cristea [scristea718@gmail.com](mailto:scristea718@gmail.com)

**and by hand-delivery and email to:**

Saundra J. McDowell  
Director of Enforcement  
Missouri Securities Division  
[Saundra.McDowell@sos.mo.gov](mailto:Saundra.McDowell@sos.mo.gov)

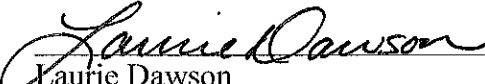
  
\_\_\_\_\_  
Laurie Dawson  
Securities Office Manager

EXHIBIT 1

IN THE MATTER OF:

CRISTOL ENTERPRISES, LLC; CRISTEA HOLDINGS, LLC;  
CHRISTOPHER CRISTEA; AND DAVID COREY TOLLE

Case No. AP-14-03

MR1	\$ 146,620
MR2	\$ 62,415
MR3	\$ 116,777
MR4	\$ 120,400
MR5	\$ 72,977
MR6	\$ 71,645
MR7	\$ 71,312
MR8	\$ 71,312
MR9	\$ 71,312
MR10	\$ 141,292
MR11	\$ 6,947
MR12	\$ 6,947
MR13	\$ 69,647
MR14	\$ 26,852
TXR1	<u>\$ 22,800</u>
<b>TOTAL</b>	<b><u><u>\$1,079,255</u></u></b>