

**STATE OF NEW HAMPSHIRE
BUREAU OF SECURITIES REGULATION
DEPARTMENT OF STATE
CONCORD, NEW HAMPSHIRE**

IN THE MATTER OF:

Starstream Entertainment Inc.

RESPONDENT

No.COM2014-0009

CONSENT ORDER

1. For purposes of settling the above-referenced matter and in lieu of further administrative proceedings, Starstream Entertainment, Inc. ("SEI") has submitted an offer of settlement, which the Bureau of Securities Regulation, Department of State, State of New Hampshire (hereinafter referred to as "the Bureau") has determined to accept. Accordingly, and without admitting or denying the allegations and findings herein, SEI does hereby consent to the following undertakings and sanctions:

STATEMENT OF FACTS

1. Starstream Entertainment, Inc. (hereinafter "SEI") is a company with a location listed as 140 Rowayton Avenue, Rowayton, Connecticut 06853, and 100 Sky Park Drive, Monterey, California 93940 and is purported to be an entity that was engaged in the production of featured movies. SEI was formed in the State of Nevada in August 2012. The entity is listed as in default with the State of Nevada. Currently, SEI is no longer in business.
2. SEI used to be a standalone entity, but it merged with a company called The Gelia Group, Corp. (hereinafter "GGC") on or about 11/11/2013 and GGC changed its name to SEI on or about 11/11/13. GGC was founded and incorporated in Nevada on or about 8/30/12. SEI and GGC have a series of securities offerings and filings with the Securities and Exchange Commission (hereinafter "SEC") in 2013. GGC filed a Regulation D, Rule 506(c) filing with the SEC on or about 10/23/2013. SEI filed an amended Regulation D,

Rule 506(c) offering with the SEC noting the name change to SEI on 12/3/2013.

3. Robert J. Raffa (hereinafter "RJR") is a person residing in Penacook, New Hampshire. For a period of time leading up to the sale of shares described in this Petition, RJR was dating a New Hampshire resident identified as Investor. RJR began telling Investor about SEI, that it was an entity that owned movie rights to famous films such as The Butler, and that it was a good opportunity and time to invest in SEI. In his past, RJR was professionally licensed in the securities industry, has a CRD number of 1777049, and has extensive knowledge of stock trading and investing. RJR informed Investor that he had in his past acted as a consultant to take companies public and Investor believed that RJR was acting as a consultant for SEI although SEI asserts that RJR was neither at any point in time selling stock for SEI, nor acting on its behalf in any way.
4. In November 2013, RJR brought Investor to principles of SEI in Rowayton, Connecticut, for viewing an SEI power-point securities solicitation presented by officers of SEI. In Rowayton, Investor was shown the power-point presentation on SEI at the house of Abraxas Discala. It was there that Investor met with Charles Bonan and Abraxas Discala officers of SEI.
5. After the power-point presentation, when RJR and Investor were back in New Hampshire, on or about 11/8/2013, RJR again solicited Investor to invest her IRA money into SEI. RJR had possession of the SEI power-point presentation in New Hampshire and again used it in his solicitation of Investor and convinced her to invest large sums of money in her IRA into SEI. Investor purchased One-Hundred and Sixty-Six Thousand Dollars (\$166,000.00), worth of SEI common stock and obtained 200,000 shares, and a SEI stock certificate numbered 1127. The price per share was .83.
6. RJR obtained a subscription agreement, investor package and investor questionnaire for SEI stock for the investment made by Investor in the Regulation D Rule 506(c) offering by SEI. This SEI documentation was mostly filled out by RJR at Fidelity in New Hampshire and contained in the documentation was identifying information of Investor including her name, home address in Manchester, New Hampshire and her tax identification number. This SEI subscription and investor package was forwarded to SEI and countersigned by Kim Leadford, CEO of SEI. Upon instructions, Fidelity transmitted the investment funds of \$166,000 to SEI's escrow agent Ofsink, LLC electronically on or about 11/8/2013. Investor was subsequently sent a SEI stock certificate 1127 signed by Kim Leadford and Charles Bonan President of SEI and the shares deposited into her Fidelity account. The stock certificate is dated 11/15/2013.

7. No Regulation D notice filing was made of any kind with the Bureau by either GGC or SEI.

STATEMENTS OF LAW

II. The Bureau hereby petitions the Director and makes the following statements of law under the New Hampshire Revised Statutes Annotated, RSA 421-B, and regulations thereunder (hereinafter referred to as the Act):

1. SEI is a person within the meaning of RSA 421-B:2, now contained in RSA 421-B:1-102(39).
2. Pursuant to RSA 421-B:11, I, now RSA 421-B:3-302(c), it is unlawful for any person to offer or sell any security in this state unless it is registered under RSA 421-B, exempt under RSA 421-B:17, or a federal covered security for which the fee has been paid and notice has been filed as required by RSA 421-B:11,I-a. SEI is in violation of this section for selling SEI stock in New Hampshire under Regulation D without a notice filing made with the Bureau.
3. Pursuant to RSA 421-B:23, now RSA 421-B:6-604(a)(1), whenever it appears to the secretary of state that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any rule under this chapter, he shall have the power to issue and cause to be served upon such person an order requiring the person to cease and desist from violations of this chapter. SEI is subject to this section for violation of RSA 421-B:11.
4. Pursuant to RSA 421-B:26.III, now RSA 421-B:6-604(d) any person who, either knowingly or negligently, violates any provisions of this chapter may, upon hearing, and in addition to any other penalty provided for by law, be subject to such suspension, revocation or denial of any registration or license, or an administrative fine not to exceed \$2,500, or both. Each of the acts specified shall constitute a separate violation. SEI is subject to a suspension, revocation, or denial, and a fine for violations of RSA 421-B:11.

III. In view of the foregoing, the Respondent, agrees to the following undertakings and sanctions:

1. SEI agrees that that it has voluntarily consented to the entry of this Order and represents and avers that no employee or representative of the Bureau has made any promise, representation or threat to induce its execution.
2. SEI agrees to waive its right to an administrative hearing and any appeal therein under this chapter.

3. SEI agrees to, by Order, cease and desist from further violations under this chapter pursuant to RSA 421-B:23.
4. Upon execution of this order by SEI, SEI agrees to pay an administrative fine to the Bureau in the amount of One Thousand Dollars (\$1,000.00). Payment shall be made by (1) United States postal money order, certified check, bank cashier's check, or bank money order; (2) made payable to the State of New Hampshire; and (3) hand-delivered or mailed to the Bureau of Securities Regulation, Department of State, State House, Room 204, Concord, New Hampshire, 03301.
5. SEI is barred from offering or selling any securities in the State of New Hampshire commencing upon the execution of this Consent Order.
6. SEI agrees that this Order is entered into for purposes of resolving only the matter as described herein. This order shall have no collateral estoppel effect in any other lawsuit, proceeding, or action, not described herein. Likewise, this order shall not be construed to restrict the Bureau's right to initiate an administrative investigation or proceeding relative to conduct by SEI which the Bureau has no knowledge of at the time of the date of final entry of this order, and shall not be a waiver of any jurisdictional defense by SEI in any such proceeding.
7. SEI may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation in this consent agreement or create the impression that the Consent Order is without factual basis. Nothing in this provision affects the Respondent's testimonial obligations or right to take legal positions in litigation in which the State of New Hampshire is not a party.

IV. Based on the foregoing, the Bureau deems it appropriate and in the public interest to accept and enter into this Order. **THEREFORE, IT IS HEREBY ORDERED THAT:**

1. SEI cease and desist from violations of the act pursuant to RSA 421-B:23.
2. SEI make payment pursuant to section III.4 of this Order in the total amount of \$1,000.00.
3. SEI is barred from offering or selling securities in New Hampshire commencing on the date of execution of this Consent Order.
4. SEI complies with the above-referenced undertakings.

Executed this 13th day of June, 2017.



SEI, by Charles Bonan in his capacity ~~as President~~
on behalf of and for Respondent.

Entered this 14th day of June, June, 2017.



Barry Glennon, Director
Bureau of Securities Regulation