

**STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF BUSINESS OVERSIGHT**

TO: Bridgegate Films, Inc.
9454 Wilshire Boulevard #902
Beverly Hills, California 90212

DESIST AND REFRAIN ORDER

(For violations of sections 25110 and 25401 of the Corporations Code)

The California Commissioner of Business Oversight finds that:

1. At all relevant times herein, Bridgegate Films, Inc. (Bridgegate) is a corporation incorporated in the State of California on August 10, 2007 with the entity number C2991843.

Bridgegate's principal place of business is 9454 Wilshire Boulevard, #902, Beverly Hills, California 90212. Bridgegate maintained a website at www.bridgegatefilms.com. Bridgegate purported to be in the business of producing films.

2. On or about May 14, 2012, Bridgegate published a press release in and from California offering investment contracts that would "allow investors to participate in the film business, risk free." The press release claimed that any investment would be secured with diamonds as collateral. The press release further claimed that one advantage of Bridgegate's investment arrangement is that it would "allow[] investors the freedom of security to relegate their money wisely without the concern of loss." At the conclusion of the press release, Bridgegate "welcomes any investor that is interested in discussing this new creative investment method" to contact Bridgegate directly.

3. The investment contracts described by Bridgegate in its May 14, 2012 press release constitute securities under California Corporations Code section 25019.

1 4. Neither the United States Securities and Exchange Commission nor the California
2 Department of Business Oversight have any record of Bridgegate registering or qualifying an
3 offering of the investment contracts described in Bridgegate's May 14, 2012 press release.

4 5. In connection with the offer of these investment contracts, Bridgegate made, or
5 caused to be made, misrepresentations of material fact or omitted to state material facts necessary in
6 order to make the statements made, in the light of the circumstances under which they were made,
7 not misleading, in violation of sections 25401 of the Corporations Code. These misrepresentations
8 and omissions included, but are not limited to the following:

- 9 a. failing to disclose the risks of investing in film production;
10 b. stating that investments in unspecified film productions would be "risk free";
11 and
12 c. failing to disclose that the diamonds securing investments may lose value.

13 Based on the foregoing findings, the California Commissioner of Business Oversight finds
14 that the investment contracts offered by Bridgegate Films, Inc. are securities subject to qualification
15 under the Corporations Code. These investment contracts are or have been offered without being
16 qualified or exempt, in violation of section 25110 of the Corporations Code.

17 Pursuant to section 25532 of the Corporations Code, Bridgegate Films, Inc. is hereby
18 ordered to desist and refrain from the further offer or sale in California of securities, including, but
19 not limited to, investment contracts involving film productions, unless and until qualification has
20 been made under said law or unless exempt.

21 Based on the foregoing findings, the California Commissioner of Business Oversight is of
22 the opinion that the securities offered and sold by Bridgegate Films, Inc. were offered in this state
23 by means of written or oral communications that included untrue statements of material fact or
24 omitted to state material facts necessary in order to make the statements made, in light of the
25 circumstances under which they were made, not misleading, in violation of section 25401 of the
26 Corporations Code.

27 Pursuant to section 25532 of the Corporations Code, Bridgegate Films, Inc. is hereby
28 ordered to desist and refrain from offering or selling any security in the State of California,

1 including, but not limited to, investment contracts involving film productions, by means of written
2 or oral communication which includes an untrue statement of a material fact or omits to state a
3 material fact necessary in order to make the statements made, in light of the circumstances under
4 which they were made, not misleading.

5 This Order is necessary, in the public interest, for the protection of investors and consistent
6 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

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8 Dated: January 23, 2017
9 Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

10 By _____
11 MARY ANN SMITH
12 Deputy Commissioner
13 Enforcement Division
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