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

5 TO: Ronald Shane Flynn
6 Black Diamond Development and Exploration, Ltd.
7 1st Floor Club Building B
8 Clark Hills Village, Clark Freeport Zone
9 Clarkfield, Pamanga 2009
10 Republic of the Philippines

11 **DESIST AND REFRAIN ORDER**
12 **(For violation of section 25401 of the California Corporations Code)**

13 The Commissioner of Business Oversight finds that:

14 1. Ronald Shane Flynn (“Flynn”) is a former resident of California and purportedly a
15 current resident of the Republic of the Philippines, and has an Individual CRD number of 1809648.
16 Flynn is a control person of Black Diamond Development and Exploration, Ltd. (“Black Diamond”),
17 which advertises that it does business at 1st Floor Club Building B, Clark Hills Village, Clark
18 Freeport Zone, Clarkfield, Pamanga 2009, Republic of the Philippines.

19 2. In 2014, Flynn offered securities to at least one California resident, in the form of
20 stock in Black Diamond by way of cold-call telephone solicitations. Flynn represented that Black
21 Diamond was a successful company with oil and gas operations in Erbil, Republic of Iraq, and
22 marketing run from the Philippines.

23 3. In 2014, as a result of the solicitations by Flynn and Black Diamond, a California
24 resident invested a total of \$30,000.00 in four investment contracts in the form of stock in Black
25 Diamond. The California investor was a passive investor whose only role was to advance funds to
26 purchase the investment as instructed by Flynn. Flynn promised that the California investor would
27 receive \$12,500.00 per month as a return on the stock. The California investor received no
28 investment returns from Black Diamond as promised by Flynn, and the invested principal remains
unpaid to the present date.

1 4. In connection with the offer and sale of these securities, Flynn and Black Diamond
2 made, or caused to be made, misrepresentations of material fact and omitted to state material facts
3 necessary in order to make the statements made, in the light of the circumstances under which they
4 were made, not misleading. The omissions to state material facts included, but are not limited to, that
5 Flynn failed to inform the California investor that the Ohio Department of Commerce, Division of
6 Securities, issued a Cease and Desist Order against Flynn on October 4, 2000, wherein the Division
7 of Securities ordered Flynn to cease and desist offering securities in violation of Ohio securities
8 registration laws.

9 Based upon the foregoing findings, the California Commissioner of Business Oversight
10 is of the opinion that the securities offered by Ronald Shane Flynn and Black Diamond Development
11 and Exploration, Ltd., were offered or sold in this state by means of written and oral communications
12 which included untrue statements of material facts and omitted to state material facts necessary in
13 order to make the statements made, in the light of the circumstances under which they were made, not
14 misleading, in violation of section 25401 of the California Securities Law of 1968 (“CSL”). Pursuant
15 to section 25532 of the CSL, Ronald Shane Flynn and Black Diamond Development and Exploration,
16 Ltd., are hereby ordered to desist and refrain from offering or selling any security in the State of
17 California, including but not limited to investment contracts relating to Black Diamond Development
18 and Exploration, Ltd., by means of any written or oral communication which includes an untrue
19 statement of a material fact or omits to state a material fact necessary in order to make the statements
20 made, in the light of the circumstances under which they were made, not misleading. This Order is
21 necessary, in the public interest, for the protection of investors and consistent with the purposes,
22 policies, and provisions of the Corporate Securities Law of 1968.

23 Dated: September 22, 2016
24 Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

25
26 By _____
27 MARY ANN SMITH
28 Deputy Commissioner
Enforcement Division