

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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

TO: Hal Snellgrose
Vice President of Operations
Biofuel Technology, Inc.
297 Kingsbury Grade, Suite D
P.O. Box 4470
Stateline, Nevada 89449-4470

Charles Krauth
Team Member
TOFTT Equity Group, LLC
P.O.Box 2294
Orinda, California 94563-6694

DESIST AND REFRAIN ORDER
(For violations of Corporations Code section 25110)

The Commissioner of Business Oversight (“Commissioner”) finds that:

1. Biofuel Technology, Inc. was a corporation formed under the laws of Nevada on December 17, 2008 and TOFTT Equity Group, LLC is a limited liability company formed under the laws of Nevada on February 28, 2008.
2. TOFTT Equity Group, LLC maintains a website at www.tofttequity.com and lists Charles Krauth as a team member of that limited liability company. Hal Snellgrose is listed as Vice President of Operations of Biofuel Technology, Inc. on the investment contract issued by that corporation.
3. Beginning in November 2009, Charles Krauth (acting on behalf of TOFTT Equity Group, LLC) and Hal Snellgrose (acting on behalf of Biofuel Technology, Inc.) contacted JU to solicit her to buy an investment of Biofuel Technology, Inc.
4. In correspondence to JU dated November 12, 2009, Charles Krauth asked JU to “look at my equity group’s website toftequity.com. You’ll see the different companies we’ve raised funding for as well as links to their websites (including BTI).”
5. On December 14, 2009, Charles Krauth and TOFTT Equity Group, LLC, offered a security to

1 JU in the form of an investment contract of Biofuel Technology, Inc., with specific terms, for a total
2 investment of thirty-five thousand dollars (\$35,000).

3 6. On December 16, 2009, Hal Snellgrose and Biofuel Technology, Inc. formalized the offer of a
4 security to JU by signing an agreement entitled, "Agreement between Biofuel Technology, Inc. (aka
5 BTI) and JU (aka Investor)." This two-page investment contract of Biofuel Technology, Inc. specifies
6 the investment amount, investment type, investment purpose, and other investment terms.

7 7. On December 18, 2009, Hal Snellgrose and Biofuel Technology, Inc. completed the sale of a
8 security in the form of an investment contract to JU, as JU paid (through a wire transfer) thirty-five
9 thousand dollars to Hal Snelgrose.

10 8. Charles Krauth, TOFTT Equity Group, LLC, Hal Snellgrose, and Biofuel Technology, Inc.
11 offered or sold the security in the form of an investment contract of Biofuel Technology, Inc. to JU in
12 this state in an issuer transaction.

13 Based upon the foregoing findings, the Commissioner of Business Oversight is of the opinion
14 that the investment contract that was offered and sold by Charles Krauth, TOFTT Equity Group,
15 LLC, Hal Snellgrose and Biofuel Technology, Inc. is a security subject to qualification under the
16 California Corporate Securities Law of 1968, and was offered and sold without being qualified in
17 violation of Corporations Code section 25110. Pursuant to Corporations Code section 25532, Charles
18 Krauth, TOFTT Equity, LLC, Hal Snellgrose, and Biofuel Technolgy, Inc. are hereby ordered to
19 desist and refrain from the further offer and sale in California of securities including, but not limited
20 to, investment contracts, unless and until qualification has been made under the law or unless exempt.

21 This Order is necessary, in the public interest, for the protection of investors and consistent
22 with the purposes, policies and provisions of the Corporate Securities law of 1968.

23 Dated: March 29, 2016

JAN LYNN OWEN
Commissioner of Business Oversight

24
25
26 By _____
27 MARY ANN SMITH
28 Deputy Commissioner
Enforcement Division