Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801)530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF: **MAVERICK MINING COMPANY, INC.,** **MARK K. BOWMAN,** **MANLY E. LOGAN,** **Respondents.**	**ORDER TO SHOW CAUSE** **Docket No.** SD-12-0046 **Docket No.** SD-12-0047 **Docket No.** SD-12-0048

It appears to the Director of the Utah Division of Securities (Director) that Maverick Mining Company, Inc., Mark K. Bowman, and Manley E. Logan (collectively, "Respondents") have engaged in acts and practices that violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, *et seq.* (the Act). Those acts and practices are more fully described herein. Based upon information discovered in the course of the Utah Division of Securities' (Division) investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF JURISDICTION

1. Jurisdiction over Respondents and the subject matter is appropriate because the Division

alleges that they violated § 61-1-1 (securities fraud) of the Act while engaged in the offer and sale of securities in or from Utah.

STATEMENT OF FACTS

THE RESPONDENTS

2. Maverick Mining Company, Inc. (Maverick Mining) is a Utah corporation that registered with the Division of Corporations on May 28, 2008. Bret Bowman is listed as the President and Director, and Norma Bowman is listed as the registered agent. As of June 11, 2012, the entity's status is listed as delinquent as a result of its failure to file for renewal. Maverick Mining has never been licensed with the Division.

3. Mark K. Bowman (Bowman) was, at all relevant times, a resident of the state of Utah. Bowman has never been licensed in the securities industry in any capacity.

4. Manley E. Logan (Logan) was, at all relevant times, a resident of the state of Utah. Logan has never been licensed in the securities industry in any capacity.

GENERAL ALLEGATIONS

5. From March 2009 to May 2011, Respondents offered and sold securities to investors, in or from Utah, and collected a total of $125,000.

6. Respondents made material misstatements and omissions in connection with the offer and sale of securities to the investors identified below.

INVESTOR R.B.

7. R.B. initially met Logan through his relationship with Spencer Trask (Trask), R.B.'s banker

at Wells Fargo and Logan's stepson.

8. Trask referred R.B. to Logan, and Logan introduced R.B. to Maverick Mining in or around March 2009. Specifically, Logan mentioned the company as a possible investment opportunity.

9. During their conversations, Logan made the following statements about an investment in Maverick Mining:

   a. The company operates a mine near Magna, Utah;

   b. The company has additional mines located outside the state; and

   c. The stock would go public on the Frankfurt Stock Exchange in Germany in the near future, so R.B. would need to act fast if he wants to invest.

10. In late March 2009, Logan took R.B. to the mining site near Magna, Utah, where the two met with Bowman for the purpose of a demonstration.

11. At that meeting, Bowman made representations and claims about how R.B.'s investment would work and what Maverick Mining was planning to do. Specifically, Bowman made the following statements about the investment opportunity:

   a. The mining company operates this mine located near Magna, Utah;

   b. The company would rely on this mine to generate profits, along with the Annabelle Gold and Silver Mine, another mine purportedly owned by Bowman and located in Current Creek, Nevada;

   c. If Bowman invested $25,000, he would receive a full return of his principal in six

months;

d. The investment would be secured by a six-month promissory note for the full investment and collateralized by a 0.05% interest in the Annabelle Gold and Silver Mine;

e. R.B. would also receive 25,000 shares of stock in Maverick Mining; and

f. Those shares are valuable because the stock would go public on the Frankfurt Stock Exchange in Germany in the near future.

12. Based on the above-stated representations, R.B. met with Bowman in Salt Lake County, Utah to deliver a $25,000 Wells Fargo cashier's check, made out to Maverick Mining, on April 3, 2009.

13. In return for his investment, R.B. received a promissory note, in which Maverick Mining, as borrower, promised to pay R.B. and his wife K.B., as lenders, the sum of $24,750, due and payable in full six months from the date of the note, subject to the terms included therein.

14. In addition, and for a fee of $250, to be deducted from the $25,000 investment, Maverick Mining would provide R.B. and K.B. with 25,000 shares of Maverick Mining restricted stock, as evidenced by a stock certificate and a *Common Stock Subscription Agreement* signed by R.B., K.B., and Bowman for Maverick Mining, on April 3, 2009.

15. The promissory note also provided R.B. and K.B. with collateral in the form of an assignment of 0.5% undivided interest in the recorded claim to the Annabelle Gold and Silver Mine, as evidenced by the *Assignment of Interest* document executed by Bowman on

April 3, 2009.

16. Mark Bowman signed the promissory note on behalf of Maverick Mining, as borrower, and R.B. and K.B. signed the note, as lender. The promissory note is dated April 3, 2009.

17. Despite their arrangement, R.B. and K.B. have not received a return of their funds from Bowman or Maverick Mining.

INVESTOR J.M.

18. J.M. initially learned about Maverick Mining through her interactions with Logan in December 2010.

19. Specifically, J.M. met Logan at a recreation center located in South Jordan, Utah.

20. After a few casual conversations, Logan brought up his association with Bowman and Bowman's companies, Maverick Mining and Standard Gold Mines.

21. With respect to an investment in Maverick Mining, Logan made the following statements:

    a. He worked for Bowman, and the mining operation was expected to "go big" any day;

    b. The company already had the commitment of an investor from India who was one of the wealthiest men in the world;

    c. That investor had thousands of brokers across the globe who were going to sell the stock to their clients;

    d. The initial investment was $0.75 per share;

    e. The stock price would reach $50 per share within three months of an initial public offering; and

f. J.M. could invest in the mining operation, but she would have to hurry.

22. Following these conversations, and because J.M. had not yet decided to invest, Logan set up a call between Bowman and J.M. In that conversation, Bowman made the following statements regarding an investment in Maverick Mining:

a. The mining operation was going to take off and a lot of stock would be sold because Maverick Mining and Standard Gold Mines would be using the Annabelle Mine to extract minerals for a profit;

b. The company already had the commitment of an investor from India who was one of the wealthiest men in the world;

c. That investor had thousands of brokers across the globe who were going to sell the stock to their clients;

d. The stock would be listed on the Frankfurt Stock Exchange;

e. The stock price would jump to three euros within a few weeks;

f. The stock would reach $50 per share within three months of an initial public offering;

g. J.M. could invest in the mining operation, but she would have to hurry; and

h. If she invested $50,000, she would receive 100,000 shares in Standard Gold Mines.

23. Based on Logan and Bowman's representations, on or around March 31, 2011, J.M. met Logan in Salt Lake County, Utah and delivered a $50,000 Deseret First Credit Union cashier's check, payable to Maverick Mining.

24. In exchange for the funds, J.M. received a document entitled *Stock Purchase Agreement*,

dated March 31, 2011, that memorialized the terms of their arrangement.

25. Following that initial investment, Logan arranged another meeting with J.M.

26. In April 2011, Bowman, Logan, and J.M. met in Salt Lake County, Utah to discuss the investment.

27. At that meeting, J.M. asked Bowman for the names of the Maverick Mining board of directors. Bowman could not recall the names of the directors at that time.

28. Shortly thereafter, Bowman and J.M. began dating. On one date, in particular, Bowman told J.M. about a trust he created in the Dominican Republic called "Fire Creek."

29. Bowman said he created the trust to "hide assets as his alter ego" and that the trust would provide a barrier in the event someone tried to sue him for his assets.

30. Based on the new romantic relationship and the previous statements regarding an investment in Maverick Mining (*see Paragraphs 21 and 22*), J.M. decided to make a second investment with Bowman.

31. On or about May 23, 2011, and while in South Jordan, Utah, J.M. delivered to Bowman a $50,000 Deseret First Credit Union cashier's check, payable to Standard Gold Mines.

32. In exchange for the investment, Bowman signed and delivered to J.M. a document entitled *Stock Purchase Agreement* that memorialized the terms of their arrangement. Specifically, in return for $50,000, J.M. would receive 100,000 shares of common stock in Maverick Mining, for a total price of $0.50 per share.

33. The arrangement was further evidenced by Maverick Mining stock certificate number 1487

that conveyed to J.M. 100,000 shares of common stock. The certificate is dated May 22, 2011 and signed by Bowman.

CAUSES OF ACTION

Securities Fraud under § 61-1-1 of the Act (Investor R.B.)

34. The Division incorporates and re-alleges paragraphs 1 through 33.

35. The investment opportunities offered and sold by Respondents are securities under § 61-1-13 of the Act.

36. In connection with the offer and sale of securities to investor R.B., Respondents, directly or indirectly, made false statements, including, but not limited to, the following:

    a. The mine located near Magna, Utah would generate profits for Maverick Mining, when, in fact, there was little to no production taking place at that mine;

    b. Maverick Mining would use the Annabelle Gold and Silver Mine to make additional profits, when, in fact, Bowman's application to make use of that mine had been previously denied; and

    c. The stock would go public on the Frankfurt Stock Exchange in Germany, when in fact, Respondents had no reasonable basis for making such a statement.

37. In connection with the offer and sale of a security to investor R.B., Respondents, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make statements made not misleading:

a. In 2002, Bowman filed for Chapter 7 bankruptcy relief in the United States Bankruptcy Court for the District of Utah[1];

b. Between 1989 and 2002, Bowman had multiple civil judgments against him, totaling $42,363.83;

c. In 1995, Bowman pled guilty to securities fraud[2] and was sentenced to two years of probation, a $1,000 fine, and a $7,900 restitution payment. In addition, he was permanently enjoined from participating in securities transactions.

d. In 1996, and related to his 1995 securities fraud sentencing, Bowman's probation was revoked due to a failed drug test. The amended judgment provided for thirty-one months of probation, a $1,000 fine, and a $7,900 restitution payment.[3]

e. Later in 1996, Bowman again failed a drug test, and his probation was revoked a second time. In the amended judgment, Bowman was committed to the Bureau of Prisons for fourteen months, with supervised release for twenty-four months, and a restitution payment of $7,900.[4]

f. Bowman had multiple misdemeanor convictions for assault[5] and cohabitation abuse.[6]

g. Some or all of the information typically provided in an offering circular or prospectus

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1 *In re Bowman,* Case No. 02-31419 (Bankr. D. Utah 2002).
2 *USA v. Bowman, et al.*, Case No. 2:95-cr-00015-DKW-1, Central District of Utah (1995).
3 *Id.*
4 *Id.*
5 *State of Utah v. Mark K. Bowman*, Case No. 001913403, Third Judicial District of Utah (2000).
6 *Mark Bowman v. Carolee Howard*, Case No. 984901397, Third Judicial District of Utah (1998), and *Carolee Bowman Howard v. Mark Bowman*, Case No. 984901561, Third Judicial District of Utah (1998).

regarding Respondents, such as:

i. Financial statements;

ii. Risk factors;

iii. Suitability factors for the investment;

iv. Business experience and operating history;

v. Whether the investment is a registered security or exempt from registration; and

vi. Whether Respondents were licensed to sell securities.

Securities Fraud under § 61-1-1 of the Act
(Investor J.M.)

38. The Division incorporates and re-alleges paragraphs 1 through 33.

39. The investment opportunities offered and sold by Respondents are securities under § 61-1-13 of the Act.

40. In connection with the offer and sale of securities to investor J.M., Respondents, directly or indirectly, made false statements, including, but not limited to, the following:

a. The stock price would hit three euros within a couple of weeks, when in fact, there was no basis for this statement;

b. The stock price would hit $50 per share within three months of the initial public offering, when in fact, there was no basis for this statement;

c. The wealthy investor from India had thousands of brokers all over the world who

were going to sell the stock to their clients, when in fact, there was no basis for this statement; and

d. Maverick Mining would use the Annabelle Gold and Silver Mine to extract minerals for a profit, when in fact, Bowman's application to make use of that mine had been denied.

41. In connection with the offer and sale of a security to investor J.M., Respondents, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make statements made not misleading:

a. In 2002, Bowman filed for Chapter 7 bankruptcy relief in the United States Bankruptcy Court for the District of Utah[7];

b. Between 1989 and 2002, Bowman had multiple civil judgments against him, totaling $42,363.83;

c. In 1995, Bowman pled guilty to securities fraud[8] and was sentenced to two years of probation, a $1,000 fine, and a $7,900 restitution payment. In addition, he was permanently enjoined from participating in securities transactions.

d. In 1996, and related to his 1995 securities fraud sentencing, Bowman's probation was revoked due to a failed drug test. The amended judgment provided for thirty-one

7 *In re Bowman,* Case No. 02-31419 (Bankr. D. Utah 2002).
8 *USA v. Bowman, et al.*, Case No. 2:95-cr-00015-DKW-1, Central District of Utah (1995).

months of probation, a $1,000 fine, and a $7,900 restitution payment.[9]

e. Later in 1996, Bowman again failed a drug test, and his probation was revoked. In the amended judgment, Bowman was committed to the Bureau of Prisons for fourteen months, with supervised release for 24 months, and a restitution payment of $7,900.[10]

f. Bowman had multiple misdemeanor convictions for assault[11] and cohabitation abuse.[12]

g. Bowman had multiple tax liens against him, including one in the amount of $427,447.92 levied in June 2010.[13]

h. Some or all of the information typically provided in an offering circular or prospectus regarding Respondents, such as:

   i. Financial statements;

   ii. Risk factors;

   iii. Suitability factors for the investment;

   iv. Business experience and operating history;

   v. Whether the investment is a registered security or exempt from registration; and

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9 *Id.*
10 *Id.*
11 *State of Utah v. Mark K. Bowman*, Case No. 001913403, Third Judicial District of Utah (2000).
12 *Mark Bowman v. Carolee Howard*, Case No. 984901397, Third Judicial District of Utah (1998), and *Carolee Bowman Howard v. Mark Bowman*, Case No. 984901561, Third Judicial District of Utah (1998).
13 *Utah State Tax Commission v. Mark K. Bowman*, Case No. 106918217, Third Judicial District of Utah (2010).

vi. Whether Respondents were licensed to sell securities.

ORDER

The Director, pursuant to § 61-1-20 of the Act, hereby orders Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63G-4-202, -204 through -208, and held before the Utah Division of Securities. The hearing will occur on **Thursday, October 4, 2012**, at **9:00 a.m.**, at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah. The purpose of the hearing is to establish a scheduling order and address any preliminary matters. If Respondents fail to file an answer and appear at the hearing, the Division of Securities may hold Respondents in default, and a fine may be imposed in accordance with Utah Code Ann. § 63G-4-209. In lieu of default, the Division may decide to proceed with the hearing under § 63G-4-208. At the hearing, Respondents may show cause, if any they have:

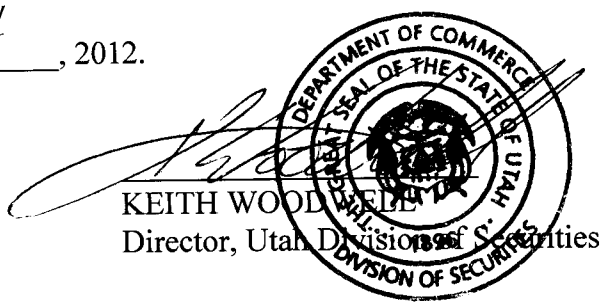
a. Why Respondents should not be found to have engaged in the violations alleged by the Division in this Order to Show Cause;

b. Why Respondents should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1-1, or any other section of the Act; and

c. Why Respondents should not be ordered to pay to the Division a fine amount to be determined by the Utah Securities Commission after a hearing in accordance with the

provisions of Utah Admin. Rule R164-31-1, which may be reduced by restitution paid to the investor.

DATED this 1st day of August, 2012.



KEITH WOODWELL
Director, Utah Division of Securities

Approved:

D. SCOTT DAVIS
Assistant Attorney General
J.B.

Division of Securities
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**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF: **MAVERICK MINING COMPANY, INC.,** **MARK K. BOWMAN,** **MANLEY E. LOGAN,** **Respondents.**	**NOTICE OF AGENCY ACTION** **Docket No.** SD-12-0046 **Docket No.** SD-12-0047 **Docket No** SD-12-0048

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENTS:

You are hereby notified that agency action in the form of an adjudicative proceeding has been commenced against you by the Utah Division of Securities (Division). The adjudicative proceeding is to be formal and will be conducted according to statute and rule. See Utah Code Ann. § 63G-4-201 and 63G-4-204 through -209; see also Utah Admin. Code R151-4-101, *et seq*. The facts on which this action is based are set forth in the accompanying Order to Show Cause. The legal authority under which this formal adjudicative proceeding is to be maintained is Utah Code Ann. § 61-1-20. You may be represented by counsel or you may represent yourself in this proceeding. Utah Admin. Code R151-4-110.

You must file a written response with the Division within thirty (30) days of the mailing date of this Notice. Your response must be in writing and signed by you or your representative. Your

response must include the file number and name of the adjudicative proceeding, your version of the facts, a statement of what relief you seek, and a statement summarizing why the relief you seek should be granted. Utah Code Ann. § 63G-4-204(1). In addition, pursuant to Utah Code Ann. § 63G-4-204(3), the presiding officer requires that your response:

(a) admit or deny the allegations in each numbered paragraph of the Order to Show Cause, including a detailed explanation for any response other than an unqualified admission. Allegations in the Order to Show Cause not specifically denied are deemed admitted;

(b) identify any additional facts or documents which you assert are relevant in light of the allegations made; and

(c) state in short and plain terms your defenses to each allegation in the Order to Show Cause, including affirmative defenses, that were applicable at the time of the conduct (including exemptions or exceptions contained within the Utah Uniform Securities Act).

Your response, and any future pleadings or filings that should be part of the official files in this matter, should be sent to the following:

Signed originals to:

Administrative Court Clerk
c/o Julie Price
Utah Division of Securities
160 E. 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
(801) 530-6600

A copy to:

D. Scott Davis
Assistant Attorney General
Utah Division of Securities
160 East 300 South, 5th Floor
Salt Lake City, UT 84114-0872
(801) 366-0358

An initial hearing in this matter is set for **Thursday, October 4, 2012** at the Division of

Securities, 2nd Floor, 160 E. 300 S., Salt Lake City, Utah, at **9:00 A.M.** The purpose of the initial hearing is to enter a scheduling order addressing discovery, disclosure, and other deadlines, including pre-hearing motions, and to set a hearing date to adjudicate the matter alleged in the Order to Show Cause.

If you fail to file a response, as described above, or fail to appear at any hearing that is set, the presiding officer may enter a default order against you without any further notice. Utah Code Ann. § 63G-4-209; Utah Admin. Code R151-4-710(2). After issuing the default order, the presiding officer may grant the relief sought against you in the Order to Show Cause, and will conduct any further proceedings necessary to complete the adjudicative proceeding without your participation and will determine all issues in the proceeding. Utah Code Ann. § 63G-4-209(4). In the alternative, the Division may proceed with a hearing under § 63G-4-208.

The Administrative Law Judge will be Jennie Jonsson, Utah Department of Commerce, 160 East 300 South, P.O. Box 146701, Salt Lake City, UT 84114-6701, telephone (801) 530-6706. This adjudicative proceeding will be heard by Ms. Jonsson and the Utah Securities Commission. You may appear and be heard and present evidence on your behalf at any such hearings.

You may attempt to negotiate a settlement of the matter without filing a response or proceeding to hearing. To do so, please contact the Utah Attorney General's Office. Questions regarding the Order to Show Cause should be directed to D. Scott Davis, Assistant Attorney General, 160 E. 300 South, 5th Floor, Box 140872, Salt Lake City, UT 84114-0872, Tel. No. (801) 366-0358.

Dated this 1st day of August, 2012

Keith M. Woodwell
Director, Division of Securities

DEPARTMENT OF COMMERCE
SEAL OF THE STATE OF UTAH
1896
DIVISION OF SECURITIES

Certificate of Mailing

I certify that on the 3rd day of August, 2012, I mailed, by regular and certified mail, a true and correct copy of the Notice of Agency Action and Order to Show Cause to:

MAVERICK MINING COMPANY, INC.
MARK BOWMAN
1051 E. CANYON ROAD
HYDE PARK, UT 84318

Certified Mail # 7007 0220 0001 0014 7724

MANLEY LOGAN
1613 WYNGATE PARK DRIVE
SOUTH JORDAN, UT 84095

Certified Mail # 7007 0220 0001 0014 7727

Julie Rice
Executive Secretary