



0000123934

**BEFORE THE ARIZONA CORPORATION COMMISSION**

Arizona Corporation Commission

**DOCKETED**

MAR 21 2011

COMMISSIONERS

GARY PIERCE, Chairman  
BOB STUMP  
SANDRA D. KENNEDY  
PAUL NEWMAN  
BRENDA BURNS

DOCKETED BY ne

In the matter of:  
KING SOLOMON MINING, LLC, an  
Arizona limited liability company,  
DANIEL F. THOMPSON, SR. and ROBIN  
ANN THOMPSON, husband and wife, and  
LISA A. SHACKLEY, an unmarried  
individual,  
Respondents.

DOCKET NO. S-20776A-10-0501  
DECISION NO. 72233

**ORDER TO CEASE AND DESIST, ORDER  
FOR ADMINISTRATIVE PENALTIES AND  
CONSENT TO SAME**

**BY: RESPONDENTS KING SOLOMON  
MINING, LLC AND DANIEL F. THOMPSON,  
SR. AND ROBIN ANN THOMPSON**

**ORDER TO DISMISS WITHOUT  
PREJUDICE  
RE: RESPONDENT LISA A. SHACKLEY**

Respondents KING SOLOMON MINING, LLC and DANIEL F. THOMPSON, SR. ("Respondents") and ROBIN ANN THOMPSON elect to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, Order For Administrative Penalties and Consent To Same ("Order"). Respondents admit the jurisdiction of the Arizona Corporation Commission ("Commission"); neither admit nor deny the Findings of Fact and Conclusions of Law contained in this Order; and consent to the entry of this Order by the Commission.

**I.**

**FINDINGS OF FACT**

1. KING SOLOMON MINING, LLC ("KING SOLOMON"), since June 9, 2008, has been an Arizona limited liability company with an office in Glendale, Arizona.



1           10. Respondents planned to repay the investors “in three to six years with a structured  
2 arrangement bound by a binding contract TBD.” Additionally, according to the website, the  
3 amount (\$1,200,000) sought by Respondents from investors “. . . was assumed to come in the form  
4 of a three to six year contracted business loan.”

5           11. Respondents asserted that the “financial requirement obtained for [KING  
6 SOLOMON] will be guaranteed by the projected proceeds generated from [KING SOLOMON].”

7           12. Respondents stated that the mission of KING SOLOMON was “[t]o engage in the  
8 business of Underground Hard Rock Mining of gold and silver. Marketing our refined and  
9 unrefined metals to bullion dealers, refineries and the jewelry industry.” Respondents stated that  
10 one of the keys to success was that the owner would be on site during business hours.

11           13. On or about November 8, 2010, an Arizona resident (“Arizona offeree”) contacted,  
12 THOMPSON confirmed that they were still seeking investors. The Arizona offeree indicated that  
13 he had approximately \$50,000 to invest. THOMPSON told the Arizona offeree that although he  
14 sought investors, the proposed \$50,000 was not enough to start the operation. THOMPSON stated  
15 that he was looking for an initial investment of \$500,000 of the necessary \$1.2 million to begin  
16 operations.

17           14. THOMPSON stated to the Arizona offeree that he was expecting investment funds  
18 from potential investors in North Carolina. THOMPSON was referred to the potential North  
19 Carolina investors by one of the assayers KING SOLOMON retained.

20           15. THOMPSON further stated that he and his deceased business partner had invested  
21 all their own retirement and savings into KING SOLOMON. THOMPSON stated that he and his  
22 deceased partner used personal funds to purchase generators, compressors and drills.

23           16. As of December 13, 2010, the applications filed by KING SOLOMON with the  
24 Bureau of Land Management were still pending. KING SOLOMON could not actively mine,  
25 remove or sell any ore until the Bureau of Land Management approves the applications.  
26 THOMPSON did not disclose to the Arizona offeree that the applications were still pending with

1 the Bureau of Land Management and there was not a date certain when those applications would be  
2 approved.

3 17. After reviewing the website, a mining official notified THOMPSON, in writing that  
4 the official thought the representations made on the KING SOLOMON website may be overly  
5 optimistic and that the business analysis contained on the website was "flawed." This information  
6 was not disclosed to the Arizona offeree.

7 18. Based on the information contained within the website and the information provided  
8 by THOMPSON to the Arizona offeree, it appears that the investors only had to invest money and  
9 the management of KING SOLOMON would handle all managerial aspects of the mining  
10 operations.

11 19. LISA A. SHACKLEY replaced her husband as a member of KING SOLOMON  
12 about nine months after his death. Aside from becoming a member, LISA A. SHACKLEY had no  
13 active role in KING SOLOMON prior to or after her husband's death.

14 20. Neither KING SOLOMON nor THOMPSON is registered as a securities dealer or a  
15 salesman.

16 **II.**

17 **CONCLUSIONS OF LAW**

18 1. The Commission has jurisdiction over this matter pursuant to Article XV of the  
19 Arizona Constitution and the Securities Act.

20 2. Respondents offered or sold securities within or from Arizona, within the meaning  
21 of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

22 3. Respondents violated A.R.S. § 44-1841 by offering or selling securities that were  
23 neither registered nor exempt from registration.

24 4. Respondents violated A.R.S. § 44-1842 by offering or selling securities while  
25 neither registered as dealers or salesmen nor exempt from registration.

26



1 the date of this Order. Payment shall be made to the "State of Arizona." Any amount outstanding  
2 shall accrue interest as allowed by law.

3 For purposes of this Order, a bankruptcy filing by any of the Respondents shall be an act of  
4 default. If any Respondent does not comply with this Order, any outstanding balance may be  
5 deemed in default and shall be immediately due and payable.

6 IT IS FURTHER ORDERED, that if any Respondent fails to comply with this order, the  
7 Commission may bring further legal proceedings against that Respondent, including application to  
8 the superior court for an order of contempt.

9 IT IS FURTHER ORDERED that no finding of fact or conclusion of law contained in this  
10 Order shall be deemed binding against any Respondent under this Docket Number who has not  
11 consented to the entry of this Order.

12 IT IS FURTHER ORDERED that Lisa A. Shackley be dismissed from this action without  
13 prejudice.

14 ...  
15 ...  
16 ...  
17 ...  
18 ...  
19 ...  
20 ...  
21 ...  
22 ...  
23 ...  
24 ...  
25 ...  
26 ...

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

IT IS FURTHER ORDERED that this Order shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION



CHAIRMAN



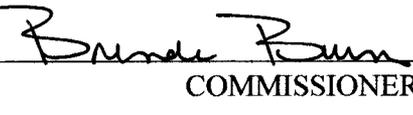
COMMISSIONER



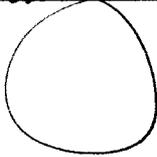
COMMISSIONER



COMMISSIONER



COMMISSIONER



IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 21<sup>ST</sup> day of MARCH, 2011.



ERNEST G. JOHNSON  
EXECUTIVE DIRECTOR

DISSENT

DISSENT

This document is available in alternative formats by contacting Shaylin A. Bernal, ADA Coordinator, voice phone number 602-542-3931, e-mail [sabernal@azcc.gov](mailto:sabernal@azcc.gov).

(wlc)

**CONSENT TO ENTRY OF ORDER**

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

1. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON admit the jurisdiction of the Commission over the subject matter of this proceeding. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON acknowledge that they have been fully advised of their right to a hearing to present evidence and call witnesses and they knowingly and voluntarily waive any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON acknowledge that this Order To Cease And Desist, Order For Administrative Penalties and Consent To Same ("Order") constitutes a valid final order of the Commission.

2. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON knowingly and voluntarily waive any right under Article 12 of the Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief resulting from the entry of this Order.

3. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON acknowledge and agree that this Order is entered into freely and voluntarily and that no promise was made or coercion used to induce such entry.

4. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON understand and acknowledge that they have a right to seek counsel regarding this Order, and that they have had the opportunity to seek counsel prior to signing this Order. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON acknowledge and agree that, despite the foregoing, they freely and voluntarily waive any and all right to consult or obtain counsel prior to signing this Order.

5. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON neither admit nor deny the Findings of Fact and Conclusions of Law contained

1 in this Order. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN  
2 ANN THOMPSON agree that they shall not contest the validity of the Findings of Fact and  
3 Conclusions of Law contained in this Order in any present or future proceeding in which the  
4 Commission or any other state agency is a party concerning the denial or issuance of any license or  
5 registration required by the state to engage in the practice of any business or profession.

6       6. By consenting to the entry of this Order, KING SOLOMON MINING, LLC,  
7 DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON agree not to take any action or to  
8 make, or permit to be made, any public statement denying, directly or indirectly, any Finding of  
9 Fact or Conclusion of Law in this Order or creating the impression that this Order is without factual  
10 basis. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN ANN  
11 THOMPSON will undertake steps necessary to assure that all of their agents and employees  
12 understand and comply with this agreement.

13       7. While this Order settles this administrative matter between KING SOLOMON  
14 MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON and the  
15 Commission, they understand that this Order does not preclude the Commission from instituting  
16 other administrative or civil proceedings based on violations that are not addressed by this Order.

17       8. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN  
18 ANN THOMPSON understand that this Order does not preclude the Commission from referring  
19 this matter to any governmental agency for administrative, civil, or criminal proceedings that may  
20 be related to the matters addressed by this Order.

21       9. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN  
22 ANN THOMPSON understand that this Order does not preclude any other agency or officer of the  
23 state of Arizona or its subdivisions from instituting administrative, civil, or criminal proceedings  
24 that may be related to matters addressed by this Order.

25       10. KING SOLOMON MINING, LLC and DANIEL F. THOMPSON, SR. agree that  
26 they will not apply to the state of Arizona for registration as a securities dealer or salesman or for

1 licensure as an investment adviser or investment adviser representative until such time as all  
2 penalties under this Order are paid in full.

3 11. KING SOLOMON MINING, LLC and DANIEL F. THOMPSON, SR. agree that  
4 they will not exercise any control over any entity that offers or sells securities or provides  
5 investment advisory services within or from Arizona until such time as all penalties under this  
6 Order are paid in full.

7 12. DANIEL F. THOMPSON, SR. and ROBIN ANN THOMPSON acknowledge that  
8 any penalties imposed by this Order are obligations of the KING SOLOMON MINING, LLC and  
9 DANIEL F. THOMPSON, SR. as well as the marital community of DANIEL F. THOMPSON, SR.  
10 and ROBIN ANN THOMPSON.

11 13. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN  
12 ANN THOMPSON consent to the entry of this Order and agree to be fully bound by its terms and  
13 conditions.

14 14. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN  
15 ANN THOMPSON acknowledge and understand that if they fail to comply with the provisions of  
16 the order and this consent, the Commission may bring further legal proceedings against them,  
17 including application to the superior court for an order of contempt.

18 15. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN  
19 ANN THOMPSON understand that default shall render Respondent liable to the Commission for its  
20 costs of collection and interest at the maximum legal rate.

21 16. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and ROBIN  
22 ANN THOMPSON agree and understand that if they fail to make any payment as required in the  
23 Order, any outstanding balance shall be in default and shall be immediately due and payable  
24 without notice or demand. They agree and understand that acceptance of any partial or late  
25 payment by the Commission is not a waiver of default by the Commission.

26

1 17. DANIEL F. THOMPSON, SR. represents that he is a member of KING SOLOMON  
2 MINING, LLC and has been authorized by KING SOLOMON MINING, LLC to enter into this  
3 Order for and on behalf of it.

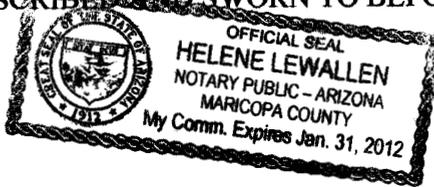
4 18. KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR., ROBIN ANN  
5 THOMPSON and LISA A. SHACKLEY understand and agree that LISA A. SHACKLEY be  
6 dismissed from this action without prejudice.

7 KING SOLOMON MINING, LLC

8 By: *Daniel F. Thompson Sr.*  
9 DANIEL F. THOMPSON, SR.  
Its: Member

10 STATE OF ARIZONA )  
11 ) SS  
12 County of Maricopa )

13 SUBSCRIBED AND SWORN TO BEFORE me this 8 day of February, 2011.



*Helene Lewallen*  
NOTARY PUBLIC

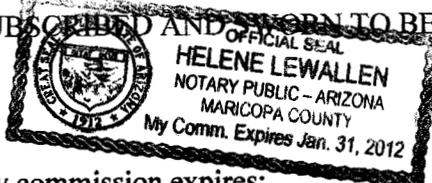
16 My commission expires:

17 1-31-2012

18 *Daniel F. Thompson Sr.*  
DANIEL F. THOMPSON, SR.

19 STATE OF ARIZONA )  
20 ) SS  
21 County of Maricopa )

22 SUBSCRIBED AND SWORN TO BEFORE me this 8 day of February, 2011.



*Helene Lewallen*  
NOTARY PUBLIC

24 My commission expires:

25 1-31-2012



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

\_\_\_\_\_  
ROBIN ANN THOMPSON

STATE OF ARIZONA     )  
                                  ) ss  
County of                )

SUBSCRIBED AND SWORN TO BEFORE me this \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:  
\_\_\_\_\_

*Lisa A. Shackley*  
\_\_\_\_\_  
LISA A SHACKLEY

STATE OF ARIZONA     )  
                                  ) ss  
County of *Maricopa*     )

SUBSCRIBED AND SWORN TO BEFORE me this *9th* day of *Feb.*, 2011.

*[Signature]*  
\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:  
*Dec 24, 2011*



1 SERVICE LIST FOR: KING SOLOMON MINING, LLC, DANIEL F. THOMPSON, SR. and  
2 ROBIN ANN THOMPSON

3 DANIEL THOMPSON  
4 13725 W. Cottonwood St.  
5 Surprise, AZ 85374

6 ROBIN ANN THOMPSON  
7 13725 W. Cottonwood St.  
8 Surprise, AZ 85374

9 Lisa A. Shackley  
10 6173 W. Kristal Way  
11 Glendale, AZ 85308

12 By: \_\_\_\_\_

13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26