

ORIGINAL
COMMISSIONERS
BOB STUMP, Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

JODI JERICH
EXECUTIVE DIRECTOR

OPEN MEETING ITEM

5/1/13 - 5/2/13



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ARIZONA CORPORATION COMMISSION

MEMORANDUM

TO: Bob Stump, Chairman
Gary Pierce
Brenda Burns
Bob Burns
Susan Bitter Smith

Arizona Corporation Commission
DOCKETED

APR 16 2013



AZ CORP COMMISSION
DOCKET CONTROL

2013 APR 16 P 12:22

RECEIVED

FROM: Matthew J. Neubert *mjn*
Director of Securities

DATE: April 15, 2013

RE: Proposed Order To Cease and Desist, Order For Restitution, Order For Administrative Penalties and Consent To Same Re: Crystal Pistol Resources, LLC, Crystal Pistol Management, LLC, Liberty Bell Resources I, LLC, Peter Pocklington and John M. McNeil, S-20845A-12-0134

CC: Jodi Jerich, Executive Director

Please find attached a Proposed Order To Cease and Desist, Order For Restitution, Order For Administrative Penalties and Consent To Same Re: Crystal Pistol Resources, LLC, Crystal Pistol Management, LLC, Liberty Bell Resources I, LLC, Peter Pocklington and John M. McNeil ("Order").

Between July 2010 and December 31, 2011, Respondents offered and sold membership interests in Crystal Pistol Resources, LLC and Liberty Bell Resources I, LLC. Respondents were based in Scottsdale, Arizona, until December 31, 2011, when Respondents relocated to Palm Desert, California. Respondents continued to sell Liberty Bell Resources I, LLC interests to Arizona residents after the relocation. Respondents, or agents of the Respondents, contacted potential investors nationwide via telephone calls. Respondents represented to potential investors that they had obtained mineral rights to a placer mine outside of Quartzite, Arizona, and would begin mining and processing the site. According to the proposed order, the estimates of gold resources listed on the Respondents' website were not supportable with the methods currently available in the industry.

According to the proposed consent, Respondents will cease and desist from violating the Arizona Securities Act. Respondents agree to pay restitution in the amount of \$5,149,316. The restitution is for the investors who invested while Respondents were located in Arizona and any Arizona residents who invested after the Respondents relocated. Further, the restitution ordered is not applicable to insiders. Respondents agree to pay an administrative penalty in the amount of \$100,000.

The Division believes that the Order is appropriate to protect the public welfare.

Originator: Wendy Coy

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 BOB STUMP, Chairman
4 GARY PIERCE
5 BRENDA BURNS
6 BOB BURNS
7 SUSAN BITTER SMITH

8 In the matter of

9 CRYSTAL PISTOL RESOURCES, LLC, a
10 Nevada limited liability company,

11 CRYSTAL PISTOL MANAGEMENT,
12 LLC, a Nevada limited liability company,

13 LIBERTY BELL RESOURCES I, LLC, a
14 Nevada limited liability company,

15 PETER POCKLINGTON, a married man,

16 and

17 JOHN M. MCNEIL, an unmarried man,

18 Respondents.

DOCKET NO. S-20845A-12-0134

DECISION NO. _____

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

**BY: RESPONDENTS CRYSTAL PISTOL
RESOURCES, LLC, CRYSTAL PISTOL
MANAGEMENT, LLC, LIBERTY BELL
RESOURCES I, LLC, PETER
POCKLINGTON and JOHN M. MCNEIL**

19 Respondents CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL
20 MANAGEMENT, LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and
21 JOHN M. MCNEIL ("Respondents") elect to permanently waive any right to a hearing and appeal
22 under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities
23 Act") with respect to this Order To Cease And Desist, Order For Restitution, Order For
24 Administrative Penalties and Consent To Same ("Order"). Respondents admit the jurisdiction of
25 the Arizona Corporation Commission ("Commission"); neither admit nor deny the Findings of Fact
26 and Conclusions of Law contained in this Order; and consent to the entry of this Order by the
Commission.

I.

FINDINGS OF FACT

1
2
3 1. CRYSTAL PISTOL RESOURCES, LLC ("CPR"), since October 23, 2009, is a
4 Nevada limited liability company that conducted business in Scottsdale, Arizona until about
5 December 2011. On May 16, 2011, CPR was authorized to transact business as a foreign limited
6 liability company in Arizona.

7 2. CRYSTAL PISTOL MANAGEMENT, LLC ("CPM"), since January 31, 2011, is a
8 Nevada limited liability company that conducted business in Scottsdale, Arizona until December
9 2011. According to the offering documents, CPM is the manager of CPR.

10 3. LIBERTY BELL RESOURCES I, LLC ("LIBERTY BELL"), since April 28, 2011,
11 is a Nevada limited liability company that conducted business from offices located in Scottsdale,
12 Arizona and Palm Desert, California. In about December 2011, LIBERTY BELL closed the
13 Scottsdale, Arizona location.

14 4. PETER POCKLINGTON ("POCKLINGTON") was, at all relevant times, a
15 married man residing in California. According to the documents filed with the Nevada Secretary of
16 State, POCKLINGTON was the managing member of CPR. According to the offering documents,
17 POCKLINGTON was the managing director of CPM. POCKLINGTON was the manager and
18 member of LIBERTY BELL

19 5. JOHN M. MCNEIL ("MCNEIL") was, at all relevant times, an unmarried resident
20 of Arizona. MCNEIL was a member of CPR. MCNEIL was the Vice President of Operations for
21 CPM and LIBERTY BELL.

22 6. CPR, CPM, POCKLINGTON and MCNEIL may be referred to collectively as
23 "CPR Respondents."

24 7. LIBERTY BELL, POCKLINGTON and MCNEIL may be referred to collectively
25 as "LIBERTY BELL Respondents."
26

1 13. Some CPR investors received unsolicited telephone calls offering the opportunity to
2 invest in CPR. These investors had no pre-existing business relationship with CPR or CPM.

3 14. CPR and CPM issued two confidential private placement memoranda (“PPMs”).
4 The first PPM was dated January 7, 2011, and the second PPM was dated May 25, 2011. A one
5 page supplement to the PPM was issued by CPR on September 22, 2011.

6 15. For a period of time in 2011, CPR operated a website, www.goldnuggetmine.com,
7 which provided information regarding CPR and its Arizona Mining Property. The website stated
8 that CPR was “initiating the ‘Gold Nugget Project’, [sic] a placer mining endeavour [sic], focusing
9 initially on gold.” Through videos that were accessible on the website, the geologist for CPR
10 discussed finding gold in every test location. The CPR geologist represented that the Arizona
11 Mining Property was very promising for a gold investor.

12 16. CPR Respondents then posted to the website various newsletters titled *Gold Nugget*
13 *Miner, A Newsletter About the Gold Nugget Mine 2011*. One newsletter posted on August 19,
14 2011, *LLC unit holders to benefit from generous dividend plan*, stated that “[t]he Gold Nugget
15 Mine is offering unit holders one of the most lucrative dividend plans in the mining business.” The
16 newsletter further stated that “an initial investment of \$10,000 at \$1 per unit would pay a return
17 between \$25,000 and \$40,000 per year.” The newsletter then explained that CPR wanted to raise
18 \$15 million and \$20 million more in capital over the next several weeks.

19 17. The newsletter also stated that hedge funds and banks were interested in completing
20 the capitalization of the CPR. The final quote by POCKLINGTON in the newsletter stated “[t]he
21 situation is a real go. Nothing now will stop it.”

22 18. When contacted by an Arizona resident (“Offeree”), via email about a possible
23 investment, MCNEIL responded and indicated a willingness to meet and discuss an investment.
24 Subsequent emails from MCNEIL, included copies of subscription agreements, an operating
25 agreement and other information related to the Gold Nugget Mining Project.
26

1 19. The subscription agreement stated that the potential investor must have “a pre-
2 existing business relationship with [CPR], [CPM] or an officer, director, employee, referring party
3 or consultant to the [CPR] or [CPM], and was not solicited pursuant to any form of public
4 advertisement, cold calling or general solicitation.” There was no inquiry into whether the Offeree
5 had a pre-existing business relationship of any kind with CPR, CPM or their respective employees
6 or officers.

7 20. The Offeree requested and received a PPM dated May 25, 2011. The PPM
8 specifically states that the investment is for “ACCREDITED INVESTORS ONLY.” At no time did
9 the CPR Respondents seek information regarding whether the Offeree was accredited. In fact,
10 when the Offeree inquired into what was meant by accredited investors, MCNEIL specifically
11 stated that many of the investors in CPR were not accredited.

12 21. POCKLINGTON, MCNEIL and others brought offerees and investors to the CPR
13 mine site.

14 22. On May 18, 2011, POCKLINGTON, through Tombstone Minerals, LLC²,
15 submitted a notice to the BLM indicating that CPR Respondents were going to have a Notice-level
16 operation³ on the Arizona Mining Property that allows surface disturbance of five acres or less of
17 public land (“Notice”). The Notice submitted to the BLM allows for exploration only and limits the
18 amount of material that may be removed to only one thousand tons of presumed ore for testing. A
19 Plan-level of operations⁴ is required for any bulk sampling in which more than one thousand tons
20 of presumed ore would be removed.

21 23. MCNEIL stated to the Offeree that CPR was processing a thousand tons per month
22 and within a week of their meeting CPR would have cash flow of about \$300,000 to \$400,000 a
23 week. If accurate, that would constitute a violation of the Notice-level operation as submitted to the
24 BLM.

25 ² Tombstone Minerals, LLC has been an Arizona limited liability company since September 11, 2008. Upon
information and belief, POCKLINGTON has no ownership interest in Tombstone Minerals, LLC.

26 ³ 43 CFR §3809.10(b) (2004).

⁴ 43 CFR §3809.10(c) (2004).

1 24. Pursuant to the terms of the PPM, CPM had “the responsibility and authority for the
2 day-to-day management” of CPR. The investors had no role in the management of CPR or CPM.
3 Further, all authority to act on behalf of CPR was vested in CPM. “Members will be entrusting
4 their funds to the Manager, upon whose judgment and discretion the Members must depend.”

5 25. POCKLINGTON was the managing member of CPR and CPM. POCKLINGTON
6 was the sole signatory on the CPR bank accounts. POCKLINGTON made the decisions relating to
7 CPR. On any decisions related to CPR, MCNEIL would talk to POCKLINGTON.

8 26. The website and MCNEIL emphasized a document purported to be a “National
9 Instrument 43-101 Standards of Disclosure for Mineral Projects” (“CPR 43-101 report”). The
10 National Instrument 43-101 Standards of Disclosure for Mineral Projects is a required document in
11 Canada for publicly offered mining projects traded on Canadian stock exchanges. However, the
12 CPR 43-101 report provided by CPR Respondents is not a legally required or necessary document
13 in the United States.

14 27. While the CPR 43-101 report’s text appears to follow the format of a National
15 Instrument 43-101 Standards of Disclosure for Mineral Projects document, the analysis related to
16 the quantity of gold held by the CPR mining claims as outlined in the CPR 43-101 report are
17 flawed and do not follow the Canadian requirements necessary to be recognized as a National
18 Instrument 43-101 Standards of Disclosure for Mineral Projects. The mineral resource estimates in
19 the CPR 43-101 assert geological continuity that is not supported by any sampling documented in
20 the report.

21 28. Further, the estimates of gold resources listed on the CPR Respondents’ website
22 were not supportable with the methods currently available in the industry.

23 29. On April 1, 2011 and August 8, 2011, CPR provided a total of \$40,000 to an escrow
24 account for the purchase of mining claims for the benefit of LIBERTY BELL.

25 30. CPR’s only source of funds was from investors.

LIBERTY BELL

1
2 31. LIBERTY BELL was formed in “April 2011 to acquire, own and operate ‘placer’
3 type surface gold mines on a series of contiguous mining claims covering approximately 2,700 acres
4 of land in La Paz County, Arizona.”

5 32. According to the November 1, 2011, offering document, LIBERTY BELL was
6 offering 36,000,000 units of limited liability interests to investors at \$.50 per share. The minimum
7 investment was \$50,000 for 100,000 units. The maximum offering was \$18,000,000, “subject to
8 [LIBERTY BELL’s] option to increase the amount of the offering by an additional \$1,000,000 for
9 a total maximum capitalization of \$19,000,000.”

10 33. The offering document further stated that LIBERTY BELL had an option to
11 purchase several mining claims from CPR and assume CPR’s liabilities. LIBERTY BELL would
12 issue “membership units to members of CPR equal to three units for each dollar of capital
13 contributed by a CPR member.” LIBERTY BELL disclosed that CPR “raised approximately
14 \$5,225,000 from approximately one hundred investors.”

15 34. LIBERTY BELL planned to close the acquisition of the mining claims, “prepare,
16 construct, and equip the sites for gold mining operations, and conduct those operations with the
17 goal of extracting and selling substantial commercial quantities of gold and other minerals.”

18 35. According to the offering documents, LIBERTY BELL was managed by its
19 Manager (POCKLINGTON). The investors would not participate in the management of LIBERTY
20 BELL.

21 36. On November 22, 2011, LIBERTY BELL filed a Form D (“November Form D”)
22 with the SEC. The November Form D disclosed that LIBERTY BELL sought \$19 million from
23 investors and had already raised \$310,000. The November Form D discloses that the first sale was
24 made on November 9, 2011. On January 24, 2012, LIBERTY BELL filed an amended Form D
25 (“January Form D”) with the SEC that disclosed the LIBERTY BELL had raised \$1,287,500 from
26

1 29 investors. On February 15, 2012, LIBERTY BELL filed another amended Form D ("February
2 Form D") with the SEC that disclosed \$1,572,500 had been raised from 40 investors.

3 37. On February 15, 2012, in another filing with the SEC submitted by
4 POCKLINGTON, disclosed that on February 9, 2012, there was a "purchase of assets for
5 membership units."

6 38. All the Form Ds filed by LIBERTY BELL disclosed that no revenue had been
7 generated.

8 39. An agent retained by LIBERTY BELL placed unsolicited telephone calls that
9 sought investors.

10 40. According to a Supplement to the LIBERTY BELL offering documents, dated
11 January 24, 2012, effective January 24, 2012, LIBERTY BELL acquired "substantially all of the
12 assets of CPR."

13 41. The offering documents provided to prospective investors in LIBERTY BELL used
14 the same geological reports and findings that were used in the CPR offering documents even
15 though the mining claims for LIBERTY BELL and CPR were different claims.

16 42. LIBERTY BELL maintains a website for its investors. Offerees and investors are
17 required to use a password to access the website. Individuals who were contacted through
18 unsolicited telephone calls were provided the password to access the LIBERTY BELL website
19 prior to becoming an investor in LIBERTY BELL.

20 43. The content of LIBERTY BELL website was substantially the same as the CPR
21 website. Specifically, the LIBERTY BELL website disclosed the geological reports and findings
22 that were obtained for the CPR mining claims without disclosing the assays and testing were from
23 the CPR mining claims.

24 44. The sole source of funds in LIBERTY BELL was investor funds.

25 ...

26 ...

LIBERTY BELL BUYOUT OF CRYSTAL PISTOL

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2 45. As of January 24, 2012, LIBERTY BELL and CPR “closed the purchase of
3 substantially all of the assets of CPR.” “In consideration for the assets of CPR, [LIBERTY BELL]
4 is issuing to CPR approximately 54,000,000 [LIBERTY BELL] membership units.”

5 46. CPR investors received unit certificates in Liberty Bell in exchange for the Crystal
6 Pistol Resources units. All of the Crystal Pistol unit holders received three units for every one unit
7 they hold.

8 47. CPR investors received a letter or telephone call informing them that their
9 investment in CPR would be changing to LIBERTY BELL.

10 48. Through December 31, 2011, when it maintained offices in Arizona, Respondents
11 raised \$4,949,316 from 120 investors. In addition, after closing its Arizona office, Liberty Bell
12 raised an additional \$200,000 from two Arizona investors. RESPONDENTS raised a total of
13 \$5,149,316.

14 **II.**

15 **CONCLUSIONS OF LAW**

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

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

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

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

24 5. Respondents violated A.R.S. § 44-1991 by (a) employing a device, scheme, or
25 artifice to defraud, (b) making untrue statements or misleading omissions of material facts, or (c)
26

1 engaging in transactions, practices, or courses of business that operate or would operate as a fraud
2 or deceit.

3 6. Respondents' conduct is grounds for a cease and desist order pursuant to A.R.S.
4 § 44-2032.

5 7. Respondents' conduct is grounds for an order of restitution pursuant to A.R.S. § 44-
6 2032.

7 8. Respondents' conduct is grounds for administrative penalties under A.R.S. § 44-
8 2036.

9 9. PETER POCKLINGTON directly or indirectly controlled persons or entities within
10 the meaning of A.R.S. § 44-1999, including but not limited to CRYSTAL PISTOL RESOURCES,
11 LLC, CRYSTAL PISTOL MANAGEMENT, LLC and LIBERTY BELL RESOURCES I, LLC.
12 Therefore, PETER POCKLINGTON is jointly and severally liable under A.R.S. § 44-1999 to the
13 same extent as CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
14 LLC and LIBERTY BELL RESOURCES I, LLC for any violations of A.R.S. § 44-1991.

15 **III.**

16 **ORDER**

17 THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and Respondents'
18 consent to the entry of this Order, attached and incorporated by reference, the Commission finds
19 that the following relief is appropriate, in the public interest, and necessary for the protection of
20 investors:

21 IT IS ORDERED, pursuant to A.R.S. § 44-2032, that Respondents, and any of
22 Respondents' agents, employees, successors and assigns, permanently cease and desist from
23 violating the Securities Act.

24 IT IS FURTHER ORDERED that Respondents comply with the attached Consent to Entry
25 of Order.

1 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that Respondents shall pay
2 restitution to the Commission in the principal amount of \$5,149,316. Payment is due in full on the
3 date of this Order. Payment shall be made to the "State of Arizona" to be placed in an interest-
4 bearing account controlled by the Commission. Any principal amount outstanding shall accrue
5 interest at the rate of five (5) percent per annum from the date of the Order until paid in full.

6 The Commission shall disburse the funds on a pro-rata basis to investors shown on the
7 records of the Commission. Any restitution funds that the Commission cannot disburse because an
8 investor refuses to accept such payment, or any restitution funds that cannot be disbursed to an
9 investor because the investor is deceased and the Commission cannot reasonably identify and
10 locate the deceased investor's spouse or natural children surviving at the time of the distribution,
11 shall be disbursed on a pro-rata basis to the remaining investors shown on the records of the
12 Commission. Any funds that the Commission determines it is unable to or cannot feasibly disburse
13 shall be transferred to the general fund of the state of Arizona.

14 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that Respondents shall, jointly
15 and severally with all Respondents against whom orders are entered pay an administrative penalty
16 in the amount of \$100,000. Payment is due in full on the date of this Order. Payment shall be
17 made to the "State of Arizona." Any amount outstanding shall accrue interest from the date
18 judgment is entered at the rate of five (5) percent per annum.

19 IT IS FURTHER ORDERED that payments received by the state of Arizona shall first be
20 applied to the restitution obligation. Upon payment in full of the restitution obligation, payments
21 shall be applied to the penalty obligation.

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

25 ...

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

2 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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5 CHAIRMAN

COMMISSIONER

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7 COMMISSIONER

COMMISSIONER

COMMISSIONER

8
9 IN WITNESS WHEREOF, I, JODI JERICH, Executive
10 Director of the Arizona Corporation Commission, have
11 hereunto set my hand and caused the official seal of the
12 Commission to be affixed at the Capitol, in the City of
13 Phoenix, this _____ day of _____, 2013.

14 _____
15 JODI JERICH
16 EXECUTIVE DIRECTOR

17 _____
18 DISSENT

19 _____
20 DISSENT

21 This document is available in alternative formats by contacting Shaylin A. Bernal, ADA
22 Coordinator, voice phone number 602-542-3931, e-mail sabernal@azcc.gov.

23 (wlc)

CONSENT TO ENTRY OF ORDER

1
2 1. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
3 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
4 admit the jurisdiction of the Commission over the subject matter of this proceeding. Respondents
5 acknowledge that they have been fully advised of their right to a hearing to present evidence and
6 call witnesses and they knowingly and voluntarily waive any and all rights to a hearing before the
7 Commission and all other rights otherwise available under Article 11 of the Securities Act and Title
8 14 of the Arizona Administrative Code. Respondents acknowledge that this Order to Cease and
9 Desist, Order For Restitution, Order For Administrative Penalties and Consent To Same ("Order")
10 constitute a valid final order of the Commission.

11 2. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
12 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
13 knowingly and voluntarily waive any right under Article 12 of the Securities Act to judicial review
14 by any court by way of suit, appeal, or extraordinary relief resulting from the entry of this Order.

15 3. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
16 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
17 acknowledge and agree that this Order is entered into freely and voluntarily and that no promise
18 was made or coercion used to induce such entry.

19 4. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
20 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
21 acknowledge that they have been represented by attorneys in this matter, Respondents have
22 reviewed this Order with their respective attorneys, Keith Beauchamp, Coppersmith, Schermer &
23 Brockelman, PLC on behalf of CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL
24 MANAGEMENT, LLC, LIBERTY BELL RESOURCES I, LLC and Jay L. Shapiro, Esq.,
25 Fennemore Craig, P.C. on behalf of PETER POCKLINGTON and JOHN M. MCNEIL and
26 understand all terms it contains.

1 5. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
2 LLC, LIBERTY BELL RESOURCES I, LLC acknowledge that their attorney, Keith Beauchamp,
3 has apprised them of their rights regarding any conflicts of interest arising from dual representation
4 and they acknowledge that they have each given their informed consent to such representation.

5 6. PETER POCKLINGTON and JOHN M. MCNEIL acknowledge that their attorney,
6 Jay Shapiro, has apprised them of their rights regarding any conflicts of interest arising from dual
7 representation and they acknowledge that they have each given their informed consent to such
8 representation.

9 7. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
10 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
11 neither admit nor deny the Findings of Fact and Conclusions of Law contained in this Order.
12 Respondents agree that they shall not contest the validity of the Findings of Fact and Conclusions
13 of Law contained in this Order in any present or future proceeding in which the Commission or any
14 other state agency is a party concerning the denial or issuance of any license or registration required
15 by the state to engage in the practice of any business or profession.

16 8. By consenting to the entry of this Order, CRYSTAL PISTOL RESOURCES, LLC,
17 CRYSTAL PISTOL MANAGEMENT, LLC, LIBERTY BELL RESOURCES I, LLC, PETER
18 POCKLINGTON and JOHN M. MCNEIL agree not to take any action or to make, or permit to be
19 made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of
20 Law in this Order or creating the impression that this Order is without factual basis. Respondents
21 will undertake steps necessary to assure that all of their agents and employees understand and
22 comply with this agreement.

23 9. While this Order settles this administrative matter between CRYSTAL PISTOL
24 RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT, LLC, LIBERTY BELL
25 RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL and the Commission,
26

1 they understand that this Order does not preclude the Commission from instituting other
2 administrative or civil proceedings based on violations that are not addressed by this Order.

3 10. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
4 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
5 understand that this Order does not preclude the Commission from referring this matter to any
6 governmental agency for administrative, civil, or criminal proceedings that may be related to the
7 matters addressed by this Order.

8 11. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
9 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
10 understand that this Order does not preclude any other agency or officer of the state of Arizona or
11 its subdivisions from instituting administrative, civil, or criminal proceedings that may be related to
12 matters addressed by this Order.

13 12. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
14 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
15 agree that they will not apply to the state of Arizona for registration as a securities dealer or
16 salesman or for licensure as an investment adviser or investment adviser representative until such
17 time as all restitution and penalties under this Order are paid in full.

18 13. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
19 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
20 agree that they will not exercise any control over any entity that offers or sells securities or
21 provides investment advisory services within or from Arizona until such time as all restitution and
22 penalties under this Order are paid in full.

23 14. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
24 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
25 consent to the entry of this Order and agree to be fully bound by its terms and conditions.
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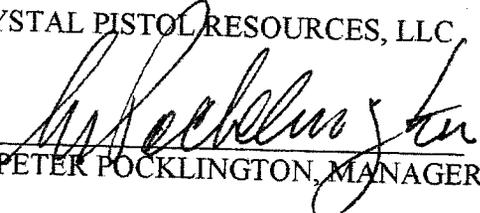
1 15. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
2 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
3 acknowledge and understand that if they fail to comply with the provisions of the order and this
4 consent, the Commission may bring further legal proceedings against them, including application to
5 the superior court for an order of contempt.

6 16. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
7 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
8 understand that default shall render them liable to the Commission for its costs of collection and
9 interest at the maximum legal rate.

10 17. CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT,
11 LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and JOHN M. MCNEIL
12 agree and understand that if they fail to make any payment as required in the Order, any
13 outstanding balance shall be in default and shall be immediately due and payable without notice or
14 demand. Respondents agree and understand that acceptance of any partial or late payment by the
15 Commission is not a waiver of default by the Commission.

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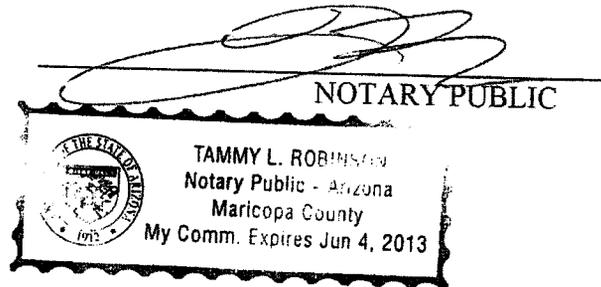
1 18. PETER POCKLINGTON represents that he is manager of CRYSTAL PISTOL
2 RESOURCES, LLC, CRYSTAL PISTOL MANAGEMENT, LLC and LIBERTY BELL
3 RESOURCES I, LLC, and has been authorized by CRYSTAL PISTOL RESOURCES, LLC,
4 CRYSTAL PISTOL MANAGEMENT, LLC and LIBERTY BELL RESOURCES I, LLC to enter
5 into this Order for and on its behalf.

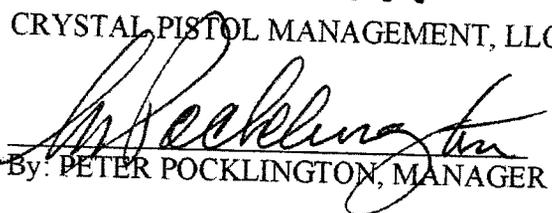
6 CRYSTAL PISTOL RESOURCES, LLC
7 
8 By: PETER POCKLINGTON, MANAGER

9 STATE OF ARIZONA)
10 County of Maricopa) ss

11 SUBSCRIBED AND SWORN TO BEFORE me this 15th day of April, 2013.

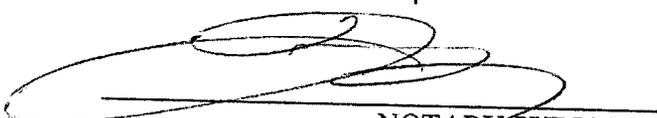
12 My commission expires:
13 June 4, 2013



14 CRYSTAL PISTOL MANAGEMENT, LLC
15 
16 By: PETER POCKLINGTON, MANAGER

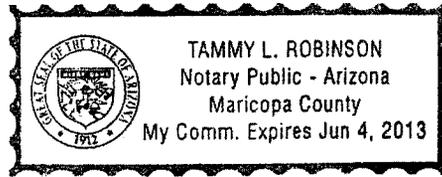
17 STATE OF ARIZONA)
18 County of Maricopa) ss

19 SUBSCRIBED AND SWORN TO BEFORE me this 15th day of April, 2013.

20 
21 NOTARY PUBLIC

1 My commission expires:

2 June 4, 2013



4 LIBERTY BELL RESOURCES I, LLC

5 *[Signature]*
6 By: PETER POCKLINGTON, MANAGER

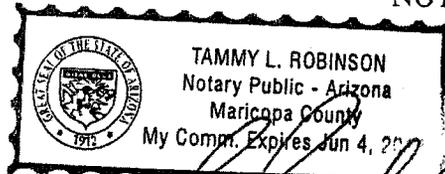
7 STATE OF ARIZONA)
8 County of Maricopa) ss

9 SUBSCRIBED AND SWORN TO BEFORE me this 15th day of April, 2013.

10 *[Signature]*
11 NOTARY PUBLIC

12 My commission expires:

13 June 4, 2013



14 *[Signature]*
15 PETER POCKLINGTON

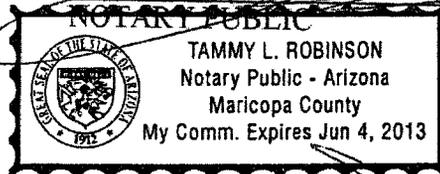
16 STATE OF ARIZONA)
17 County of Maricopa) ss

18 SUBSCRIBED AND SWORN TO BEFORE me this 15th day of April, 2013.

19 *[Signature]*
20 NOTARY PUBLIC

21 My commission expires:

22 June 4, 2013



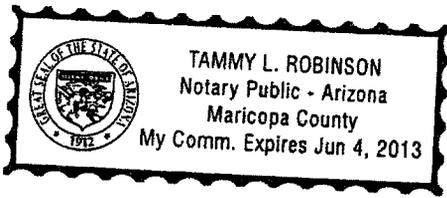
23 *[Signature]*
24 JOHN M. MCNEIL

1 STATE OF ARIZONA)
2 County of Maricopa) ss

3 SUBSCRIBED AND SWORN TO BEFORE me this 5th day of April, 2013.

4
5 
6 NOTARY PUBLIC

6 My commission expires:
7 June 4, 2013



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1 SERVICE LIST FOR: CRYSTAL PISTOL RESOURCES, LLC, CRYSTAL PISTOL
2 MANAGEMENT, LLC, LIBERTY BELL RESOURCES I, LLC, PETER POCKLINGTON and
JOHN M. MCNEIL

3 The Honorable Marc E. Stern
4 Hearing Division
5 Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

6 Keith Beauchamp
7 Coppersmith, Schermer & Brockelman, PLC
2800 N. Central Ave
8 Suite 1200
Phoenix, AZ 85004
9 Attorney for Crystal Pistol Resources, LLC, Crystal Pistol Management, LLC, Liberty Bell
Resources I, LLC

10 Jay L. Shapiro, Esq.
11 Fennemore Craig, P.C.
12 3003 N. Central Ave, Suite 2600
Phoenix, Arizona 85012
13 Attorneys for Peter Pocklington and John M. McNeil

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1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2
3 COMMISSIONERS

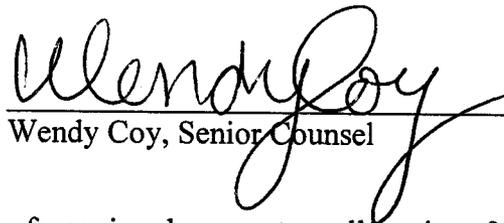
4 BOB STUMP, Chairman
5 GARY PIERCE
6 BRENDA BURNS
7 BOB BURNS
8 SUSAN BITTER SMITH

7 In the matter of:)
8 CRYSTAL PISTOL RESOURCES, LLC, a)
9 Nevada limited liability company,)
10 CRYSTAL PISTOL MANAGEMENT, LLC, a)
11 Nevada limited liability company,)
12 LIBERTY BELL RESOURCES I, LLC, a Nevada)
13 limited liability company,)
14 PETER POCKLINGTON, a married man,)
15 and)
16 JOHN M. MCNEIL, an unmarried man,)
Respondent.

DOCKET NO. S-20845A-12-0134

**NOTICE OF FILING OF PROPOSED
OPEN MEETING AGENDA ITEM**

17 Pursuant to A.A.C. R14-4-303, you are hereby notified that the attached: Order To Cease
18 And Desist, Order For Restitution, Order For Administrative Penalties and Consent To Same was
19 filed with the Arizona Corporation Commission's Docket Control.

20 Dated: 4-16-2013 By: 
21 Wendy Coy, Senior Counsel

22 I hereby certify that I have this day served the foregoing document on all parties of record
23 in this proceeding by mailing a copy thereof, properly addressed with first class postage prepaid to:

24 Keith Beauchamp
25 Coppersmith, Schermer & Brockelman, PLC
26 2800 N. Central Ave
Suite 1200

Decision No. _____

1 Phoenix, AZ 85004

2 Attorney for Crystal Pistol Resources, LLC, Crystal Pistol Management, LLC, Liberty Bell
Resources I, LLC

3 Jay L. Shapiro, Esq.

4 Fennemore Craig, P.C.

5 3003 N. Central Ave, Suite 2600

6 Phoenix, Arizona 85012

7 Attorneys for Peter Pocklington and John M. McNeil

8 Dated: 4/16/13

9 By: 
10 Emie R. Bridges, Executive Assistant