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STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES

In the Matter of
Big Spring Gold, LLC,
Louis A. Christensen,
William Gary Clawson, and
Darby Clawson,

Respondents.

Case No. S-14-0066

FINAL ORDER TO CEASE AND
DESIST, ORDER DENYING
EXEMPTIONS TO THE SECURITIES
REGISTRATION REQUIREMENTS,
AND ASSESSING CIVIL PENALTIES
AND CONSENT TO ENTRY OF
ORDER.

The Director of the Department of Consumer and Business Services for the State of Oregon (the “Director”) has determined that Big Spring Gold, LLC, Louis A. Christensen, William Gary Clawson, and Darby Clawson violated certain provisions of ORS 59.005 to 59.451, 59.991 and 59.995 (the “Oregon Securities Law”); and Big Spring Gold, LLC, Louis A. Christensen, William Gary Clawson, and Darby Clawson (collectively, the “Respondents”) agree to waive their right to notice and an administrative hearing under ORS 59.295 and to resolve and settle this matter by CONSENTING to entry of this Final Order.

Now, therefore, as evidenced by the authorized signatures subscribed on this document, the Director issues the following Final Order:

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97331-3881
Telephone: (503) 378-4387



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I. FINDINGS OF FACT

The Director FINDS that:

THE RESPONDENTS AND ASSOCIATED PARTIES

1. Big Spring Gold, LLC (“BSG”) is a Nevada manager-managed limited liability company that was formed on or about May 11, 2012 (Entity No. E0263352012-6). Its principal address is 2244 Meade Street, North Bend, Oregon 97459. BSG’s principal business is acquiring, owning, developing, and managing gold and silver mineral deposits and unpatented lode mining claims in Nye County, Nevada.

2. Louis A. Christensen (“Christensen”) is an Oregon resident with a last known address of 2244 Meade Street, North Bend, Oregon 97459. Christensen was BSG’s sole manager from May 2012 to December 2013 and BSG’s co-manager with Gary Clawson and Darby Clawson from December 2013 to the date of this Order. At all times material herein, Christensen owned 2,700,000 shares, or 27%, of BSG.


3. William Gary Clawson (“Gary Clawson”) is an Oregon resident with a last known address of 935 Rhododendron Drive, Florence, Oregon 97439. Gary Clawson offered and sold LLC membership interests in BSG from September 2012 to September 2013. Gary Clawson became BSG’s co-manager in December 2013.

4. Darby Clawson (“Darby Clawson”) is an Oregon resident with a last known address of 4837 Oceana Drive, Florence, Oregon 97439. Darby Clawson offered and sold LLC membership interests in BSG from December 2012 to September 2013. Darby Clawson became BSG’s co-manager in December 2013.

5. N.L. (“N.L.”) is a Quebec, Canada resident. N.L. is a founding member of BSG. She is also R.V.’s sister.

6. R.V. (“R.V.”) is an Coos Bay, Oregon resident. At all times material to this Order, R.V. provided consulting and other services to BSG. In total, R.V. received

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 \$29,500 in fees for his services.

2
3 BACKGROUND- R.V.

4 7. On or about August 25, 1999, R.V. formed Red Dog Resources, Inc. a
5 Nevada corporation (Entity Number C20946-1999, Nevada Business ID:
6 NV19991350363) (“Red Dog”). At all times material to this Order, R.V. was Red Dog’s
7 Director, President, Secretary and Treasurer. P.M. (“P.M.”) was its Registered Agent.

8 8. On or between 1999 to 2002, R.V. approached investors on behalf of Red
9 Dog to fund the purchase of timber properties in Oregon and California. Typically, R.V.
10 would offer one-year promissory notes with interest payments ranging from 12 – 20% per
11 annum. R.V. raised \$10 million from those investors.

12 9. R.V. intended to harvest the timber on the land in order to pay for the cost
13 of the timber property and to repay investors. Red Dog would retain the property if it had
14 potential for commercial mining. At times, R.V. would pledge shares of Red Dog as
15 collateral for the promissory notes.

16 10. As a result of increased competition for the purchase of timber properties
17 in early 2000, R.V. faced difficulty finding suitable timber properties to purchase and was
18 unable to pay investors their promised return.

19 11. Before investors could take possession of the collateral underlying the
20 promissory notes, R.V. transferred certain gold mining interests held by Red Dog to his
21 sister, N.L., so as to put those interests outside the reach of Red Dog’s creditors. R.V.
22 refused to retransfer those mining interests back to Red Dog. He also refused to transfer
23 the collateralized Red Dog shares to investors upon default.

24 12. Starting on or before 2004, a number of investors, including an Oregon
25 investor by the name of “WJ,” filed civil suits against Red Dog and R.V. alleging fraud,
26



1 theft by deception, and violations of the Oregon Securities Law.

2 13. On or about April 14, 2008, certain of the plaintiffs to the civil suits,
3 including WJ, commenced an involuntary Chapter 7 bankruptcy proceeding against R.V.
4 in the United States Bankruptcy Court for the District of Oregon (Case No. 08-61176-
5 aer7).

6 14. On or about January 10, 2009, those plaintiffs settled their claims with
7 R.V. and sought to dismiss the bankruptcy petition. That motion was granted on January
8 14.

9 15. On or about November 19, 2008, R.V. was indicted by a grand jury in the
10 United States District Court for the District of Oregon on 20 counts of structuring a
11 currency transaction to avoid a reporting requirement in violation of federal law (CR 08-
12 60137-AA). On or about November 18, 2009, R.V. pled guilty to the first charge on the
13 indictment and the remaining charges were dismissed.

14 16. On or about March 20, 2014, R.V. was indicted by a grand jury in the
15 United States District Court for the District of Oregon on one count of structuring a
16 currency transaction to avoid a reporting requirement in violation of federal law (Case
17 No. 6:14-CR-00125AA). On September 30, 2014, R.V. pled guilty to that charge.

18
19
20 BACKGROUND – BIG SPRING GOLD

21 17. According to statements made by BSG to the Director, Christensen had
22 purportedly been an acquaintance of R.V. since the 1960s and was aware that R.V. had
23 past success with acquiring mineral rights for profit. At some point prior to May 2012,
24 Christensen asked R.V. whether he was aware of any mining projects that he could invest
25 in.
26





1 18. At that time, N.L. had purportedly acquired the right to purchase “10
2 unpatented lode claims” that were located in Nye County, Nevada (the “Property”) from
3 ProJem Ventures, Inc.¹ and wanted to sell that right. R.V. relayed that information to
4 Christensen.

5 19. On or about May 6, 2012, Christensen formed BSG to acquire N.L.’s
6 option. In exchange for her agreement to transfer her right in the Property to BSG, N.L.
7 was given shares, of BSG. R.V. negotiated the terms of that transfer.

8 20. On or about May 16, 2012, BSG entered into a Mining Claims Option to
9 Purchase Agreement (the “Option Agreement”) with ProJem. The Option Agreement
10 granted BSG the right to purchase the Property from ProJem for \$100,000 by November
11 1, 2013.

12 21. The terms of the Option Agreement required BSG to make an initial
13 payment of \$25,000 upon execution of the Option Agreement, which would give BSG
14 the right to hold the Property until February 1, 2013. Thereafter, BSG was required to pay
15 \$25,000 on February 1, 2013, August 1, 2013, and February 1, 2014 to retain the right to
16 purchase the Property. R.V. negotiated the terms of the Option Agreement on behalf of
17 BSG with P.M. Under the terms of the Option Agreement, R.V. was to receive all notices
18 and communications relating to the Option Agreement on behalf of BSG.

19 22. BSG made the initial \$25,000 payment under the Option Agreement to
20 ProJem on May 20, 2012. Shortly thereafter, BSG offered to pay \$50,000 in satisfaction
21 of its obligations under the Option Agreement. That offer was accepted and BSG made
22 the additional \$50,000 payment on or about October 25, 2012. In total, BSG paid \$75,000
23 for the Property. R.V. negotiated that transaction with ProJem on behalf of BSG.

24
25 _____
26 ¹ ProJem Ventures is a Nevada Corporation that was formed on or about March 1993 (Entity # C2851-
1993, Nevada Business ID: NV19931035742) (“ProJem”) P.M. is ProJem’s President, Director, and
Registered Agent.



1 23. In connection with the Option Agreement and subsequent acquisition of
2 the Property, Christensen purportedly reviewed a report describing the Property that was
3 prepared by P.M.. That report described the location of the Property, its history, and the
4 regional geology. The report stated that “Work [on the exploration and development of
5 the mine] has only been of a cursory nature”, but concluded that there was a “potential
6 for a probable gold resource” and that “additional work is clearly warranted.” That
7 additional work would include additional surveys and testing.

8 24. Christensen has no experience in acquiring, owning, developing and
9 managing gold and silver mineral deposits. He did not have an independent third party
10 evaluate or assess the Property prior to purchasing it. Instead, Christensen relied almost
11 exclusively on R.V., who purportedly was “extremely” familiar with the Property, for
12 that evaluation and assessment.

13 25. According to statements made to the Director, BSG did not intend to
14 conduct mining operations on the Property. Instead, BSG intended (and still intends) to
15 “evaluate, validate and develop the Property to the point where its potential value is well
16 documented” and then sell the Property to a “major mining company.”

17 26. On or about April 2014, BSG voluntarily disclosed to the Director that in
18 order to acquire, develop, and maintain the Property and other BSG assets, as well as to
19 pay for permits, attorney fees, consulting fees, recording fees, and ongoing expenses,
20 Christensen, Gary Clawson, and Darby Clawson and others offered and sold limited
21 liability company membership interests in BSG.

22 27. BSG further disclosed that, between August 2012 and September 2013,
23 BSG raised a total of \$1.9 million from 140 persons, which included 123 residents of the
24 United States (including 72 Oregon residents) and 17 Canadian residents, through the
25 sale of LLC Membership interests in BSG (an “LLC Interest”). According to records that
26



1 are on file with the Director, the LLC Interests were not registered by the Director as a
2 security under ORS 59.055.

3 28. The Property is located on national forest lands. As such, BSG is required
4 by law to obtain approval from the U.S. Department of Agriculture’s Forest Service (the
5 “Forest Service”) to search for minerals on the Property prior to any such exploration. As
6 part of that approval process, BSG was required to demonstrate to the Forest Service that
7 any exploration, among other things, would be conducted in an environmentally sound
8 manner.

9 29. In accordance with that requirement, on or about July 2013, BSG
10 submitted to the Forest Service’s, Austin Ranger District of the Humboldt–Toiyabe
11 National Forest (the “Austin Ranger District”) a request to conduct exploratory drilling
12 on a portion of the Property. Subject to some limitations, on or about July 2014, the
13 Austin Ranger District approved BSG’s request. BSG did not disclose to investors that it
14 could take almost a year to obtain that approval.

15 30. On or about May 8, 2013, BSG acquired the right to purchase 10,000
16 shares, or 10%, of Chrome Titans, LLC for \$91,000 and fees. Chrome Titans, LLC is a
17 Nevada limited liability company that was formed on or about October 2008 (Entity #
18 E0629412008-0, Nevada Business ID: NV20081643383) (“Chrome Titans”) and was
19 purportedly formed to acquire, develop, and own chromite deposits in California. N.L.
20 has a controlling interest in Chrome Titans and R.V. is Chrome Titans’ sole Managing
21 Member. Pursuant to the terms of the purchase agreement, the \$91,000 was paid directly
22 to WJ who had placed a lien on property controlled by Chrome Titans.

23 31. BSG relied on R.V. to assess the value of Chrome Titans. BSG did not
24 disclose to investors in connection with the purchase of their securities that their funds
25 would (or could) be used to purchase shares in a company that was managed by BSG’s
26

1 primary advisor and that that company would use the proceeds from the sale to settle a
2 claim by a party that had sued the advisor alleging securities fraud, among other things.

3 32. According to an “Independent Accountants’ Review Report,” which was
4 dated May 21, 2014, that was produced by a certified public accountant located in
5 Vancouver, Washington, BSG has not yet achieved profitable operations and is heavily
6 dependent upon its ability to obtain additional financing to obtain sufficient working
7 capital to meet its liabilities as they become due and ultimately generate a profit. Given
8 the uncertainty about BSG’s ability to do so, the accountant expressed doubt about BSG
9 being able to continue as a “going concern.”
10

11 ARBITRARY VALUATION OF SECURITIES

12 33. According to BSG, the price paid for the LLC Interests by investors
13 ranged from \$0.20 to \$4.00 per LLC Interest and was not based on a formal appraisal of
14 BSG or its assets. BSG did not disclose to investors in connection with the purchase or
15 sale of their securities that the purchase price paid for their LLC Interests was not based
16 on a formal appraisal of BSG or its assets.
17

18 UNAUTHORIZED ISSUANCE OF SECURITIES

19 34. In total, BSG has issued approximately 14,794,588 LLC Interests, which
20 includes the 10,000,000 in LLC Interests that were initially sold to Christensen, N.L., and
21 an unaffiliated Canadian corporation. At all times material to this Order, the Operating
22 Agreement for Big Spring Gold, LLC and amendments to the same (the “Operating
23 Agreement”) only authorized the issuance of 10,000,000 LLC Interests. In addition, none
24 of the investors was provided with a copy of the Operating Agreement and did not sign
25
26



1 the Operating Agreement.

2 35. As a result of the foregoing, the sale of LLC Interests to each investor was
3 not authorized under the Operating Agreement and, therefore, each LLC Interest holder
4 was not properly admitted as a Member of BSG. As such, at all times material to this
5 Order, they did not have any rights – including the right to vote, or the right to a
6 distribution of profits – under the Operating Agreement.
7

8 USE OF UNLICENSED SALESPERSONS, INVESTMENT ADVISERS, AND
9 INVESTMENT ADVISER REPRESENTATIVES

10 36. The LLC Interests were primarily sold through Christensen, Gary
11 Clawson, and Darby Clawson. In total, Christensen sold \$195,000 worth of LLC
12 Interests to 11 investors and collected a total of \$19,500 in finder’s fees. Gary Clawson
13 sold \$1,557,280 worth of LLC interests to 111 investors and collected a total of \$137,118
14 in finder’s fees. Darby Clawson sold \$488,050 worth of LLC Interests to 44 investors and
15 collected 48,805 LLC Interests as a finder’s fee.

16 37. According to records that are on file with the Director, Christensen, Gary
17 Clawson, and Darby Clawson were not licensed by the Director as “salespersons” under
18 ORS 59.165(1) to sell the LLC Interests. In addition, they were not licensed by the
19 Director as “investment advisers” or “investment adviser representatives” under ORS
20 59.165(5) or ORS 59.165(6), respectively, to advise the investors as to the advisability of
21 investing in or purchasing the LLC Interests.
22

23 SECURITIES FRAUD

24 38. Many of the investors had limited investment experience prior to
25 purchasing their LLC Interest and based their investment decision primarily upon the
26





1 statements made by the person selling the LLC Interest to them.

2 39. Many were merely told that the opportunity involved an investment in a
3 gold mine and they had the potential to make a good return on their investment. Some
4 were also told that they could expect to receive a return on their investment by December
5 2013. None was given any written disclosures. As a result, the investors were not
6 provided with information that would have had a substantial likelihood of being viewed
7 by a reasonable investor as having significantly altered the “total mix” of information
8 made available to them.

9 40. For example, BSG and its salespersons did not provide investors with a
10 private placement memorandum that included a general description of their business, or a
11 description and location of the property, the nature of competition within their industry,
12 the nature and type of government regulation, the names and background information—
13 including criminal histories, and history of bankruptcies—of all the managers and
14 consultants, including R.V., that were involved or would be involved with BSG, and the
15 nature of any conflicts of interest involving BSG.

16 41. BSG also did not provide investors with other material documents,
17 including audited financial statements as defined under OAR 441-011-0040, the
18 Operating Agreement, the Option Agreement, or the report prepared by P.M. or a
19 summary of that report that was understandable in plain English.

20 42. To the extent that investors were told about the risks of investing in BSG,
21 the disclosures related more to the generalized risk of investing in securities. For
22 example, one investor was merely told that there is always a possibility that they could
23 lose their money. They were not told that gold and silver mining exploration is highly
24 speculative and there is a substantial risk that it might ultimately be determined that there
25 are no exploitable minerals on the Property; that there are no known reserves on the
26

1 Property; there is great uncertainty about BSG’s ability to continue as a going concern
2 without additional financing; that BSG might not be able to obtain such financing; that
3 the impact of government regulation could adversely impact BSG; that the submission
4 and approval of an environmental impact study to the Forest Service will be required
5 before any exploration can begin and that that approval might not be obtained; that the
6 LLC Interests are not registered; that the price paid for the LLC Interest is arbitrary and
7 may not reflect the actual value of BSG; that BSG’s managers are inexperienced and
8 reliant on outside consultants and advisers; that even if the Property’s potential value can
9 be demonstrated, that BSG might not be able to find a buyer for the Property; and that the
10 investor might not have any rights under the Operating Agreement if the shares issued to
11 them are not authorized under the LLC Agreement or if they did not sign it.
12

13 II. CONCLUSIONS OF LAW

14 The Director CONCLUDES that:

15
16 DEFINITIONS UNDER ORS 59.015

17 43. The LLC Interests are “securities” as that term is defined under ORS
18 59.015(19)(a) because they are “investment contracts.” Specifically, investors purchased
19 a LLC Interest with the expectation that they would make a profit and relied on the
20 efforts of the BSG’s managers and others for that profit.

21 44. BSG is an “issuer” as that term is defined under ORS 59.015(9) because it
22 is a limited liability company that issued “securities.”

23 45. Christensen, Gary Clawson, and Darby Clawson are “salespersons” as that
24 term is defined under ORS 59.015(18) because they represented or purported to represent
25 BSG in effecting or attempting to effect “in any manner transactions in securities.”
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SALE OF UNREGISTERED SECURITIES UNDER ORS 59.055

46. On or between August 2012 and September 2013, BSG offered and sold securities that were not registered by the Director under ORS 59.065 to 72 persons located in Oregon in violation of ORS 59.055.

47. On or between August 2012 and September 2013, BSG originated the offer to sell and sold securities under ORS 59.335 and ORS 59.345 that were not registered by the Director under ORS 56.065 to approximately 78 persons that were not located in Oregon in violation of ORS 59.055.

UNLICENSED SALESPERSON ACTIVITY UNDER ORS 59.165

48. On or between August 2012 and September 2013, Christensen sold securities in Oregon to 11 persons without being licensed by the Director as a “salesperson” under ORS 59.165.

49. On or between August 2012 and September 2013, Gary Clawson sold securities in Oregon to 111 persons without being licensed by the Director as a “salesperson” under ORS 59.165.

50. On or between August 2012 and September 2013, Darby Clawson sold securities in Oregon to 44 persons without being licensed by the Director as a “salesperson” under ORS 59.165.

SECURITIES FRAUD UNDER ORS 59.135(2)

51. In connection with the purchase or sale of securities, BSG, Christensen,

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Salem, OR 97301-3881
Telephone: (503) 378-4387





1 Gary Clawson, and Darby Clawson omitted to state material facts necessary to make the
2 statements they did make, in the light of the circumstances under which they were made,
3 not misleading in violation of ORS 59.135(2).

4 52. In particular, the Respondents did not:

- 5 a. Disclose that the sale of LLC Interests was not authorized under the Operating
6 Agreement and, therefore, each LLC Interest holder was not properly admitted as
7 a Member of BSG. As such, they did not have any rights – including the right to
8 vote, or a right to a distribution of profits – under the Operating Agreement.
- 9 b. Provide investors with a private placement memorandum that included general
10 description of their business, or a description and location of the property, the
11 nature of competition within their industry, and the nature and type of government
12 regulation, the names and background information—including criminal histories,
13 and history of bankruptcies—of all the managers and consultants, including R.V.,
14 that were involved or would be involved with BSG, and the nature of any
15 conflicts of interest involving BSG.
- 16 c. Provide investors with other material documents, including audited financial
17 statements as defined under OAR 441-011-0040, the Operating Agreement, the
18 Option Agreement, or the report prepared by P.M. or a summary of that report
19 that was understandable in plain English.
- 20 d. Disclose any material risk associated with investing in BSG including that gold
21 and silver mining exploration is highly speculative and there is a substantial risk
22 that it might ultimately be determined that there are no exploitable minerals on the
23 Property; that there are no known reserves on the Property; there is great
24 uncertainty about BSG’s ability to continue as a going concern without additional
25 financing; that BSG might not be able to obtain such financing; that the impact of
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1 government regulation could adversely impact BSG; that the submission and
2 approval of an environmental impact study to the Forest Service would be
3 required before any exploration can begin and that that approval might not be
4 obtained; that the LLC Interests are not registered; that the price paid for the LLC
5 Interest was not based on a formal appraisal of BSG or its assets and may not
6 reflect the actual value of BSG; that BSG's managers are inexperienced and
7 reliant on outside consultants and advisers; that even if the Property's potential
8 value can be demonstrated, that BSG might not be able to find a buyer for the
9 Property; and that the investor might not have any rights under the Operating
10 Agreement if the shares issued to them are not authorized under the LLC
11 Agreement or if they did not sign it.

12
13 DISQUALIFICATION UNDER RULE 506(d) OF THE SECURITIES ACT OF 1933

14 53. This Final Order includes findings that the Respondents violated a
15 provision of the Oregon Securities Law that is the basis for disqualification under Rule
16 506(d)(1) of the Securities Act of 1933, as amended.

17
18 III. ORDER

19 Now, therefore, the Director issues the following ORDERS:

20
21 ORDER TO CEASE AND DESIST

22 54. Pursuant to the authority under ORS 59.245, the Director ORDERS the
23 Respondents, and any successors or assigns to CEASE AND DESIST from violating any
24 provision of ORS Chapter 59 or Oregon Administrative Rules Chapter 441 promulgated
25 thereunder.

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ORDER DENYING EXEMPTIONS TO THE SECURITIES REGISTRATION
REQUIREMENTS


55. Except as allowed in this Order, pursuant to the authority under ORS 59.045(2), the Director denies the Respondents and any successors or assigns their ability to rely on the exemptions to the securities registration requirements allowed by ORS 59.025 and ORS 59.035, *except that* the Respondents may “offer,” but not “sell,” interests in BSG to no more than twenty “accredited investors” as that term is defined under OAR 441-035-0010 for the sole purpose of soliciting indications of interest in investing in BSG or negotiating the sale of interests in BSG *provided that* there is no general advertising or solicitation, or any commission or other remuneration paid directly or indirectly in connection with those “offers.” The Director must approve the “sale” of any security in writing. Until the terms and conditions set forth under this Order are satisfied, the proceeds from any such sale must be used to pay the “Rescission Amount,” which is defined below, to Outside Investors, or to fund BSG’s long term and/or working capital.

ORDER ASSESSING CIVIL PENALTIES

56. Pursuant to the authority under ORS 59.995, the Director ASSESSES a CIVIL PENALTY of \$1,200,000 against BSG, Christensen, Gary Clawson, and Darby Clawson, jointly and severally, for their respective violations of ORS 59.055, ORS 59.165, and ORS 59.135.

57. The Director agrees to suspend collection of \$1,180,000 of the CIVIL PENALTY if 1) not more than 180 days from the entry of this Order, the Respondents offer to repay certain investors in BSG the amount specified under ORS 59.115(2)(a)

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1 using the notice and registration procedures under ORS 59.125 and ORS 59.065 (the
2 “Rescission Offer”) and in accordance with the procedures and timelines set forth in this
3 Order, 2) the Respondents comply with the terms of this Order, and 3) the Respondents
4 commit no additional violations of the Oregon Securities Law. The remaining \$20,000 of
5 the CIVIL PENALTY is due and payable immediately upon entry of this Order.
6

7 IV. AGREEMENT TO OFFER RESCISSION

8 58. The Respondents agree to offer rescission to unaffiliated investors in BSG
9 as follows:

10 59. Prior the entry of this Order, the Respondents shall provide to the Director
11 with the names and addresses of each investor – not including the Respondents, N.L., or
12 Mayan Minerals, Ltd.² – that invested in BSG (an “Outside Investor”), the amount that
13 each Outside Investor would be owed under ORS 59.115(2) (the “Rescission Amount”),
14 how the Rescission Amount was calculated, and the Rescission Amounts already paid, if
15 any, to Outside Investors.

16 60. Not more than 60 days after the entry of this Order, BSG shall provide
17 each “Outside Investor” with a copy of this Order and a letter, which must be approved
18 by the Director, that summarizes the Director’s findings and conclusions as well as how
19 and when BSG intends to conduct the Rescission Offer (the “Notification Letter”).

20 61. At the same time that (or after) the Notification Letter has been sent, the
21 Respondents may solicit nonbinding indications of interest in accepting the Rescission
22 Offer from Oregon residents *in writing* on a form approved by the Director *provided that*
23 any such solicitation clearly states that 1) the purpose of the solicitation of interest is to
24

25 _____
26 ² Mayan Minerals, Ltd. is a Canadian company duly incorporated under the laws of the Province of British
Columbia. Its last known address is Suite 1650 – 999 West Hastings Street, Vancouver, BC, V6C 2W2.
Mayan Minerals is a founding member of BSG and owns 780,811 shares, or 8%, of BSG.





1 gauge Oregon investors' interest in a Rescission Offer, 2) the investor's response is not
2 mandatory, not binding, and involves no commitment by the investor of any kind, and 3)
3 Big Spring Gold intends to make a formal Rescission Offer no more than 180 days after
4 the entry of this Order.

5 62. Not more than 180 days after the entry of this Order, BSG shall conduct a
6 Rescission Offer pursuant to ORS 59.125 and ORS 59.065. In connection with that
7 Rescission Offer, the Respondents also agree to comply with the notice and registration
8 procedures, if any, of each state or province where rescission is being offered. The
9 Director reserves the right to deny the Rescission Offer if the Director determines that the
10 Rescission Offer is not "fair, just, and equitable" under ORS 59.105 or that BSG is in
11 unsound financial condition.

12 63. In the process of conducting the Rescission Offer, BSG may resend each
13 Outside Investor a copy of the Restated Operating Agreement and a Joinder Agreement
14 so that any Outside Investor not electing to rescind will have an opportunity to be
15 properly admitted as a Member of BSG.

16 64. The Respondents must take reasonable steps to locate Outside Investors if
17 a Notification Letter or Rescission Offer is returned to the Respondents for any reason.
18 Such reasonable steps include, but are not limited to, performing a standard address
19 search using the National Change of Address System. The Respondents must re-mail any
20 returned Notification Letter or Rescission Offer to the Outside Investor within 15 days
21 after receiving the return.

22 65. Outside Investors must be given thirty days from the receipt of the
23 Rescission Offer to accept the Offer. The Offer may be accepted either by delivery of the
24 LLC certificate to BSG, or, if the Outside Investor no longer owns the certificate, written
25 notice from the investor of their inability to tender back the certificate.



1 66. The full Rescission Amount must be paid not more than fifteen days after
2 BSG has received acceptance of the Offer.

3 67. Within 60 days after the conclusion of the Rescission Offer, the
4 Respondents must provide a report to the Director and the securities regulator of each
5 state or province in which a Rescission Offer was made describing any Restitution
6 Amount paid to the Outside Investors in that state or province and proof of such payment.

7 68. The Respondents agree to waive their right to assert that an Outside
8 Investor failed to timely commence an action under ORS 59.115 as an affirmative
9 defense for a period of 2 years after the entry of this Order.

10 69. In the event that the Respondents choose to liquidate BSG instead of (or in
11 addition to) a Rescission Offer, proceeds from the sale of BSG's assets must be
12 distributed pro rata to the Outside Investors to the extent of their respective Rescission
13 Amount. To the extent that an Outside Investor cannot be located, the Respondents must
14 report the unclaimed funds that are the property of the Outside Investor to the State of
15 Oregon's Department of State Lands pursuant to the requirements under ORS Chapter
16 98, or in accordance with the unclaimed property laws of the state or province where the
17 Outside Investor is last known to have resided. No unclaimed funds shall be paid to the
18 Respondents, N.L., or Mayan Minerals. After all Outside Investors have received their
19 full Rescission Amount, proceeds from the liquidation of BSG may be distributed to LLC
20 Members in accordance with the terms of the Operating Agreement.

21 70. The Director agrees to reduce the suspended portion of the Civil Penalty
22 by \$0.63 for each dollar that the Respondents distribute to Outside Investors from the
23 proceeds of a liquidation of BSG's assets.

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71. This Order is a “Final Order” under ORS 183.310(6)(b). It is not subject to judicial review under ORS Chapter 183. Subject to ORS 183.310(6)(b), the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

IT IS SO ORDERED.

Dated this 28th day of August, 2015.

PATRICK M. ALLEN, Director
Department of Consumer and Business Services

/s/ David Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



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CONSENT TO ENTRY OF ORDER BY BIG SPRING GOLD, LLC.

Subject to ORS 59.135(4), by signing this Final Order, Big Spring Gold, LLC (“BSG”) is attesting that it has read this Final Order and knows and fully understands its contents; and that it consents to the entry of this Final Order and will fully comply with its terms.

BSG further attests that it has been advised of its right to a hearing and voluntarily and without any force or duress expressly waives any right to a hearing in this matter.

BSG understands that this Final Order is a public document.

Louis A. Christensen is the Manager of BSG and is authorized to enter into this this Final Order on behalf of BSG.

Big Spring Gold, LLC

By: /s/ Louis A. Christensen
Signature

Louis A. Christensen
Printed name

Manager
Position held

State of Oregon

County of Coos

Subscribed and sworn before me August 25, 2015.

/s/ Christina Cancino
Notary Public

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97331-3881
Telephone: (503) 378-4387



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CONSENT TO ENTRY OF ORDER BY LOUIS A. CHRISTENSEN

Subject to ORS 59.135(4), by signing this Final Order, I attest that I have read this Final Order and know and fully understand its contents; and that I consent to the entry of this Final Order and will fully comply with its terms.

I further attest that I have been advised of my right to a hearing and voluntarily and without any force or duress expressly waive any right to a hearing in this matter.

I also understand that this Final Order is a public document.

By: /s/ Louis A. Christensen
Louis A. Christensen

State of Oregon

County of Coos

Subscribed and sworn before me August 19th, 2015.

/s/ Tracy Deaun Pierce
Notary Public

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



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CONSENT TO ENTRY OF ORDER BY WILLIAM GARY CLAWSON

Subject to ORS 59.135(4), by signing this Final Order, I attest that I have read this Final Order and know and fully understand its contents; and that I consent to the entry of this Final Order and will fully comply with its terms.

I further attest that I have been advised of my right to a hearing and voluntarily and without any force or duress expressly waive any right to a hearing in this matter.

I also understand that this Final Order is a public document.

By: /s/ William Gary Clawson
William Gary Clawson

State of Oregon

County of Lane

Subscribed and sworn before me August 20, 2015.

/s/ Sherry G Dutcher
Notary Public

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



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CONSENT TO ENTRY OF ORDER BY DARBY CLAWSON

Subject to ORS 59.135(4), by signing this Final Order, I attest that I have read this Final Order and know and fully understand its contents; and that I consent to the entry of this Final Order and will fully comply with its terms.

I further attest that I have been advised of my right to a hearing and voluntarily and without any force or duress expressly waive any right to a hearing in this matter.

I also understand that this Final Order is a public document.

By: /s/ Darby Clawson
Darby Clawson

State of Oregon

County of Lane

Subscribed and sworn before me August 20, 2015.

/s/ Sherry G Dutcher
Notary Public

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Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

