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SECURITIES COMMISSIONER



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## Texas State Securities Board

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MEMBER

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IN THE MATTER OF §  
PREMIER RESOURCES, LLC, AND ROBERT J. § **Order No. ENF-CDO-20-1793**  
MANGIAFICO, JR. AKA ROBERT MANGIAFICO §

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**Premier Resources, LLC**, is being served by certified mail, return receipt requested, addressed to its office at 2418 Marsh Lane, Suite 106, Carrollton, Texas 75007, and by certified mail, return receipt requested, to United States Corporation Agents, Inc., its registered agent, at 9900 Spectrum Drive, Austin, Texas 78717.

**Robert J. Mangiafico, Jr., aka Robert Mangiafico**, is being served by certified mail, return receipt requested, addressed to the office for Premier Resources, LLC, and the registered agent for Premier Resources, LLC.

### **EMERGENCY CEASE AND DESIST ORDER**

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas (the "**Securities Commissioner**") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, TEX. REV. CIV. STAT. ANN. arts. 581-1 to 581-45 (West, Westlaw through 2019 R. Sess.) (the "**Securities Act**").

The Enforcement Division of the Texas State Securities Board (the "**Enforcement Division**") has presented evidence sufficient for the Securities Commissioner to find:

#### **FINDINGS OF FACT**

1. Premier Resources, LLC ("**Respondent Premier Resources**") is a Texas Limited Liability Company that can be served with process at its office at 2418 Marsh Lane, Suite 106, Carrollton, Texas 75007, and through United States Corporation Agents, Inc., its registered agent, at 9900 Spectrum Drive, Austin, Texas 78717.
2. Robert J. Mangiafico, Jr., aka Robert Mangiafico ("**Respondent Mangiafico**") is the Managing Member of Respondent Premier Resources. He can be served with process at the office for Respondent Premier Resources or through the registered agent for Respondent Premier Resources.

## THE BUSINESS OF RESPONDENT PREMIER RESOURCES

3. On or about May 7, 2019, Respondent Mangiafico organized Respondent Premier Resources with the Texas Secretary of State. Respondent Mangiafico has been and is serving as its Managing Member.
4. Respondent Premier Resources is an oil and gas investment company that claims to have purchased 61 wells, including 26 producing wells in three different fields.
5. Respondent Premier Resources is stressing its integrity and it is representing as follows:
  - A. Respondent Premier Resources claims that its integrity is paramount to its success.
  - B. Respondent Premier Resources claims it is channeling integrity to transfer energy into opportunity.
  - C. Respondent Premier Resources claims it is seeking to build meaningful relationships by displaying integrity, honesty, and respect.
6. Respondents Premier Resources and Mangiafico are now using public solicitation to offer and sell units in the Oklahoma Premier Trinity.

## INVESTMENTS IN UNITS ISSUED BY THE OKLAHOMA PREMIER TRINITY

7. The Oklahoma Premier Trinity is a venture consisting of wells located in McClain County, Oklahoma.
8. Respondents Premier Resources and Mangiafico are offering and selling units in the Oklahoma Premier Trinity for \$200,000.00 per unit or \$25,000.00 per one-eighth unit.
9. Purchasers of units issued by the Oklahoma Premier Trinity must irrevocably appoint Respondents Premier Resources as the Managing Partner of the Oklahoma Premier Trinity.
10. Respondents Premier Resources and Mangiafico are representing the purchase of units may provide an annual return of 29.35% of the principal investment assuming the price of oil is \$50.00 and the price of gas is \$2.75, and that the annual return may be as high as 42.67% of the principal investment when considering the additional value of first-year tax benefits.
11. They are also representing the annual return may increase to 35.49% of the principal investment if the price of oil increases to \$65.00 and the price of gas

remains the same, and the annual return may increase to 52.23% of the principal investment when considering the additional value of first-year tax benefits.

RESPONDENTS PREMIER RESOURCES AND MANGIAFICO  
ARE PAYING SALES-BASED COMPENSATION TO UNREGISTERED AGENTS

12. Respondents Premier Resources and Mangiafico are paying compensation to sales agents to sell units in the Oklahoma Premier Trinity.
13. The compensation paid to sales agents is calculated, in part, based on the number of sales of units in the Oklahoma Premier Trinity.
14. The compensation is being paid to agents that are not registered to offer or sell securities in Texas.

RESPONDENTS PREMIER RESOURCES AND MANGIAFICO  
FALSELY CLAIM TO QUALIFY FOR SAFE HARBOR UNDER REGULATION D

15. Respondents Premier Resources and Mangiafico are relying on Regulation D, Rule 506, to offer and sell unregistered securities in Texas.
16. Regulation D, Rule 506, is a federal law that preempts important state laws that protect investors by requiring issuers to register securities with the Securities Board before offering and selling the securities in Texas.
17. Although Regulation D, Rule 506(c), permits issuers to use public solicitation to offer and sell securities, it strictly limits sales to accredited investors and issuers must take reasonable steps to ensure all investors are accredited investors.
18. An accredited investor is typically a person with a net worth of at least \$1,000,000, excluding the value of his or her primary residence, or a person that has received \$200,000.00 or more of income each year for the last two years, or \$300,000 combined income if he or she is married, and has the expectation to make the same amount in the present year.
19. Respondents Premier Resources and Mangiafico are failing to qualify for safe harbor under Regulation D, Rule 506(c), in part, because they are using public solicitation to offer and sell securities to unaccredited investors and they are not taking reasonable steps to ensure that all investors are accredited investors.
20. Respondents Premier Resources and Mangiafico are also engaging in a scheme to obstruct the application of Regulation D, Rule 506(c), and avoid regulation by the Securities Board and other state securities regulators by directing unaccredited investors to misrepresent their status as accredited investors.

RESPONDENT MANGIAFICO IS  
A WHITE-COLLAR CRIMINAL OUT ON PAROLE

21. As described herein, Respondent Mangiafico is the Managing Member of Respondent Premier Resources.
22. Respondent Mangiafico is a paroled white-collar criminal, and he has been prosecuted for at least six felonies and an enhanced misdemeanor.
  - A. Mangiafico was recently prosecuted for theft and money laundering for stealing \$655,000 from elderly widows. On or about September 18, 2013, he was convicted of convicted of theft in excess of \$200,000.00, a first-degree felony, and sentenced to serve 40 years in state prison in State v. Mangiafico Case No. 380-8074972011, in the 380th Judicial District Court for Collin County, Texas. On the same day, he was also convicted of money laundering in excess of \$200,000.00, a first-degree felony, and sentenced to serve 40 years in state prison in State v. Mangiafico, Case No. 380-80749-2011.
  - B. On or about July 29, 2010, Mangiafico pleaded guilty to theft of \$20,000.00 or more but less than \$100,000.00 from an elderly individual, a second-degree felony, in State v. Mangiafico, Case No. D-1-DC-08-302443 in the 403rd Judicial District Court of Travis County, Texas. He was later ordered to serve a 10-year term of deferred adjudication community supervision, conditioned by a requirement that Mangiafico pay \$21,646.33 to victims of his crime.
  - C. On or about July 29, 2010, Mangiafico pleaded guilty to theft of \$1,500.00 or more but less than \$20,000.00, a state jail felony, State v. Mangiafico, Case No. D-1-DC-09-900161 in the 403rd Judicial District Court of Travis County, Texas. He was sentenced to serve 30 days in county jail pursuant to Section 12.44A of the Texas Penal Code.
  - D. On or about October 20, 2009, Mangiafico pleaded guilty to driving/boating while intoxicated, an enhanced offense, in State v. Mangiafico, Case No. CR-2008-07237-E in Criminal Court No. 5 of Denton County, Texas. He was sentenced to serve 100 days in county jail.
  - E. On or about August 25, 2003, Mangiafico pleaded guilty and true to the unauthorized use of a motor vehicle, a state jail felony, in State v. Mangiafico, in Case No. 199-80212-03 in the 380th Judicial District Court of Collin County, Texas. He was later sentenced to serve the maximum sentence of 180 days in a state jail facility.
  - F. On or about June 30, 2003, Mangiafico pleaded guilty to theft of property of the value of \$1,500.00 or more but less than \$20,000.00, a state jail felony,

in State v. Mangiafico, Case No. F-02-35355-IM in the 194th Criminal District Court of Dallas County, Texas. He was sentenced to serve 180 days in a Texas state jail facility.

23. Respondent Mangiafico was recently released from prison on parole, and he has been managing Respondent Premier Resources while on parole.
24. Respondent Mangiafico was recently arrested for a traffic violation, and he has been managing Respondent Premier Resources from county jail.

#### REGISTRATION VIOLATIONS

25. The units issued by the Oklahoma Premier Trinity have not been registered by notification, coordination or qualification and no permit has been issued for their sale in Texas.
26. Respondents Premier Resources and Mangiafico have not been registered as dealers or agents at any time material hereto.
27. Respondents Premier Resources and Mangiafico are paying sales-based compensation to agents, and the agents have not been registered to offer or sell securities in Texas any time material hereto.

#### FRAUD AND DECEIT AND THE FAILURE TO DISCLOSE RESPONDENT MANGIAFICO IS A WHITE-COLLAR CRIMINAL WITH AN EXTENSIVE CRIMINAL HISTORY

28. In connection with the offer and sale of units issued by the Oklahoma Premier Trinity, Respondents Premier Resources and Mangiafico are intentionally failing to disclose Respondent Mangiafico is a white-collar criminal, and they are intentionally failing to disclose his criminal history, and this information constitutes material facts.
29. As described herein, Respondents Premier Resources is claiming its integrity is paramount to its success, it is seeking to build meaningful relationships by displaying integrity, honesty and respect, and it is channeling integrity to transfer energy into opportunity.
30. These representations are materially misleading or otherwise likely to deceive the public because Respondent Mangiafico is a white-collar criminal and Respondents Premier Resources and Mangiafico are failing to disclose his criminal history.

#### DECEIT AND THE SCHEME TO AVOID STATE REGULATION

31. Respondents Premier Resources and Mangiafico are claiming to rely on Regulation D, Rule 506, to offer and sell unregistered securities in Texas.

32. These statements are materially misleading or otherwise likely to deceive the public because Respondents Premier Resources and Mangiafico are engaging in a scheme to obstruct the application of Regulation D, Rule 506(c), and avoid regulation by the Securities Board and other state securities regulators by directing unaccredited investors to misrepresent their status as accredited investors.

#### CONCLUSIONS OF LAW

1. The units issued by Oklahoma Premier Trinity are securities as the term is defined by Section 4.A of the Texas Securities Act.
2. Respondents Premier Resources and Mangiafico are violating Section 7 of the Securities Act by offering securities for sale in Texas at a time when the securities are not registered with the Securities Commissioner.
3. Respondents Premier Resources and Mangiafico are violating Section 12 of the Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Securities Act.
4. Respondents Premier Resources and Mangiafico are engaging in fraud in connection with the offer for sale of securities.
5. Respondents Premier Resources and Mangiafico have made an offer containing a statement that is materially misleading or otherwise likely to deceive the public.
6. The conduct, acts, and practices of Respondents Premier Resources and Mangiafico threaten immediate and irreparable public harm.
7. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

#### ORDER

1. It is therefore ORDERED Respondents Premier Resources and Mangiafico immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Securities Act.
2. It is further ORDERED Respondents Premier Resources and Mangiafico immediately CEASE AND DESIST from acting as securities dealers or agents in Texas until Respondents are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Securities Act.
3. It is further ORDERED Respondents Premier Resources and Mangiafico immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.

4. It is further ORDERED Respondents Premier Resources and Mangiafico immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$10,000, or imprisonment in the penitentiary for two to ten years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 20th day of November, 2019.

  
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TRAVIS J. JILES  
Securities Commissioner