

ALMA V

DEFENDANT Mark Christopher Parman
Person ID: 386936, 2014-12923

CHARGE Securities Fraud >\$100K
Article 581 Sec. 29C Texas
Securities Act

ADDRESS 5605 Belle Chase Lane, Frisco, Texas 75035

CAUSE# 199-82889-2014

DESCRIPTION



AGENCY/# State Securities Board

ARREST INFORMATION GJR

C/C

Witness: Eliza Lujan

TRUE BILL OF INDICTMENT

IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS: The Grand Jury of Collin

County, State of Texas, duly organized at the July Term, A.D., 2014 of the 416th

District Court of said county, in said court at said term, do present that _____

MARK CHRISTOPHER PARMAN, hereinafter "defendant"

on or about the dates listed below, and before the presentment of this indictment, in Collin County, Texas, did then and there, directly and through agents, sell and offer for sale interests in the following programs: the Intercontinental Energy, Inc., South Edna #2 drilling project, the Intercontinental Energy, Inc., West Howe #1 drilling project, the Intercontinental Energy, Inc., Chenango drilling project, and the Intercontinental Energy, Inc., Schmidt Mineral #1 drilling project, all of which being securities, to wit: interests in or under an oil, gas, or mining lease, fee, or title, and investment contracts, to each of the persons listed below, and in the following amounts:

<u>Person</u>	<u>Date</u>	<u>Amount</u>	<u>Drilling Project</u>
Donald & Marianne Doonan	August 5, 2008	\$13,750.00	South Edna #2
Phil Wykle	August 6, 2008	\$6,875.00	South Edna #2
Gary Evans	August 8, 2008	\$6,875.00	South Edna #2
Francis Sears	August 8, 2008	\$13,750.00	South Edna #2
Timothy and Marianne McKenney	August 11, 2008	\$27,500.00	South Edna #2

Alan Dill	August 19, 2008	\$6,875.00	South Edna #2
Stuart Schwartz	August 20, 2008	\$6,875.00	South Edna #2
Adam Osborn	August 22, 2008	\$13,750.00	South Edna #2
Fred Hess	September 2, 2008	\$6,875.00	South Edna #2
ThomasVoehl	September 2, 2008	\$6,875.00	South Edna #2
Robert Klipstein	September 3, 2008	\$6,875.00	South Edna #2
Daniel W. Boroff	September 4, 2008	\$3,437.50	South Edna #2
John Mastel	September 8, 2008	\$6,875.00	South Edna #2
David Howe	September 11, 2008	\$55,000.00	South Edna #2
Ed Schuetz	September 19, 2008	\$13,750.00	South Edna #2
John Mullins	September 24, 2008	\$6,875.00	South Edna #2
David Hughes	October 3, 2008	\$13,750.00	South Edna #2
Louis Wood	October 7, 2008	\$13,500.00	South Edna #2
John Neuenschwander	October 9, 2008	\$13,750.00	South Edna #2
Louis Wood	October 15, 2008	\$250.00	South Edna #2
Keith and Patricia Olson	October 17, 2008	\$6,856.00	South Edna #2
Jack Valz	October 23, 2008	\$13,750.00	South Edna #2
Robert E. Davis	May 12, 2009	\$6,250.00	West Howe #1
Charles E. Powell	June 2, 2009	\$6,250.00	West Howe #1
Robert C. Boch	August 27, 2009	\$12,500.00	West Howe #1
Wayne Kelley	August 28, 2009	\$6,250.00	West Howe #1
Don & Marlys Bergeman	September 9, 2009	\$3,125.00	West Howe #1
George Theodorakos	September 16, 2009	\$6,250.00	West Howe #1
Helen and James Walker	September 16, 2009	\$15,000.00	West Howe #1
Fred Kern	September 18, 2009	\$6,250.00	West Howe #1

Richard and Joyce Carney	October 6, 2009	\$12,500.00	West Howe #1
Wayne Kelley	October 15, 2009	\$6,250.00	West Howe #1
Earl Brewer, Jr.	October 29, 2009	\$25,000.00	West Howe #1
Stan Broniak	November 10, 2009	\$25,000.00	West Howe #1
Donald E. Halla	November 17, 2009	\$25,000.00	West Howe #1
Douglas Schumann	December 18, 2009	\$12,500.00	West Howe #1
Wayne Kelley	January 6, 2010	\$12,500.00	West Howe #1
James M. Collins	January 12, 2010	\$6,250.00	West Howe #1
Stan Broniak	January 15, 2010	\$12,500.00	West Howe #1
Fred Kern	January 29, 2010	\$6,250.00	West Howe #1
Blake Frasure	February 18, 2010	\$17,500.00	West Howe #1
Roger Lundberg	February 20, 2010	\$6,250.00	West Howe #1
Rod Burke	April 12, 2010	\$12,500.00	West Howe #1
Vincent M. Golik	April 12, 2010	\$12,500.00	West Howe #1
Theodore Jones	April 29, 2010	\$12,500.00	West Howe #1
John Womack	April 30, 2010	\$12,500.00	West Howe #1
Henry and Geraldine Sparrer	June 9, 2010	\$12,500.00	West Howe #1
Burl Hollingsworth	October 20, 2010	\$12,500.00	West Howe #1
Darrell H. Boyd	November 12, 2010	\$12,500.00	West Howe #1
Mike, Felice	November 29, 2010	\$12,500.00	West Howe #1
Mike, Felice	November 29, 2010	\$12,500.00	West Howe #1
William E. and Thelma Miller	December 14, 2010	\$25,000.00	West Howe #1
Richard Engelke	December 21, 2010	\$25,000.00	West Howe #1
Thomas Tucker	December 21, 2010	\$12,500.00	West Howe #1
Stan Broniak	May 7, 2010	\$7,500.00	Chenango

Stan Broniak	July 23, 2010	\$7,500.00	Chenango
Stan Broniak	September 8, 2010	\$6,000.00	Chenango
Stan Broniak	October 14, 2010	\$21,000.00	Chenango
Darrell H. Boyd	November 12, 2010	\$12,500.00	Schmidt Mineral #1

and said defendant committed fraud in connection with the sales and offers for sale of said securities by:

PARAGRAPH ONE

knowingly and intentionally representing funds invested by investors in the Intercontinental Energy, Inc., South Edna #2 drilling project would be used for the purpose of drilling an oil and/or gas well, said information being a misrepresentation of a relevant fact; and

PARAGRAPH TWO

intentionally failing to disclose that funds invested by investors in the Intercontinental Energy, Inc., South Edna #2 drilling project were used for purposes other than the drilling, testing, and completion of an oil and/or gas well, said information being a material fact; and

PARAGRAPH THREE

intentionally failing to disclose previous investors' funds invested in the Intercontinental Energy, Inc., South Edna #2 drilling project were used to pay the personal expenses of the defendant; said information being a material fact; and

PARAGRAPH FOUR

knowingly and intentionally representing funds invested by investors in the Intercontinental Energy, Inc., West Howe #1 drilling project would be used for the purpose of drilling an oil and/or gas well, said information being a misrepresentation of a relevant fact; and

PARAGRAPH FIVE

intentionally failing to disclose that funds invested by investors in the Intercontinental Energy, Inc., West Howe #1 drilling project were used for purposes other than the drilling, testing, and completion of an oil and/or gas well, said information being a material fact; and

PARAGRAPH SIX

intentionally failing to disclose previous investors' funds invested in the Intercontinental Energy, Inc., West Howe #1 drilling project were used to pay the personal expenses of the defendant; said information being a material fact; and

PARAGRAPH SEVEN

intentionally failing to disclose that on or about December 31, 2003, in Disciplinary Proceeding Number C06030013, Styled *Department of Enforcement v. Shelman Securities Corp, CRD Number 39795 and Mark C. Parman, General Securities Prinipal, CRD Number 2686104*, initiated by the National Association of Securities Dealers it was ordered that Shelman Securities Corporation (Shelman) was expelled from membership in the National Association of Securities Dealers and ordered jointly and severally with Mark C. Parman to pay restitution in the amount of \$1.7 million dollars to investors in certain limited partnership offerings and that Mark C. Parman, a shareholder, Chairman of the Board and General Securities Principal of Shelman, was ordered barred from association as a member with the National Association of Securities Dealers in any capacity and was ordered jointly and severally along with Shelman Securities Corporation to pay restitution in the amount of \$1.7 million dollars to investors in certain limited partnership offerings, said information being a material fact; and

PARAGRAPH EIGHT

intentionally failing to disclose that on or about May 10, 2004, a dispute resolution proceeding conducted by the National Association of Securities Dealers in Case Number 03-02913, styled *In the Matter of the Arbitration Between: Savendra Dutt, Claimant v. Shelman Securities Corp., Kevin M. Weaver and Mark C. Parman, Respondents*, a panel of arbitrators, after hearing the case, awarded the Claimant the sum of \$311,572.00 in compensatory damages plus interest on the awarded damages at the rate of 5% per annum from the date of the

award until paid in full against Respondents Shelman Securities Corp., Kevin M. Weaver, and Mark C. Parman, making specific findings of churning conducted by the Respondents in violation of NASD rules and procedures, said information being a material fact; and

PARAGRAPH NINE

intentionally failing to disclose that on or about November 2, 2004, in Case Number XY-2003-02, styled *In the Matter of Shelman Securities Corporation, Mark C. Parman, and Robert W. Stout*, the Securities Commissioner for the Colorado Division of Securities issued an order revoking the licenses to sell securities in the State of Colorado of Shelman Securities Corporation as a broker and/or dealer and Mark C. Parman as a sales representative, said information being a material fact; and

PARAGRAPH TEN

intentionally failing to disclose that on or about January 31, 2005, a lawsuit was filed against the defendant in County Court at Law Number 4 in Collin County, Texas, in Cause Number 0048205, styled *Citibank (South Dakota), N.A. v. Mark C. Parman*, alleging a suit on a debt and breach of contract, among other things, and on or about April 5, 2005, a final default judgment was entered against Mark C. Parman in favor of the Plaintiff, Citibank (South Dakota), N.A. in the amount of \$19,383.86 and attorney's fees of \$4,846.00, said information being a material fact; and

PARAGRAPH ELEVEN

intentionally failing to disclose that on or about July 29, 2005, in County Court Number 5, Collin County, Texas, Cause Number 005-1817-04, styled *TBF Financial, LLC v. Mark Parman and Kevin Weaver*, the defendant, Mark Christopher Parman, was found in contempt of court for failure to answer discovery in said lawsuit and was ordered by the Court to be committed to the Collin County jail until such time as defendant, Mark Parman, purged himself of contempt, said information being a material fact; and

PARAGRAPH TWELVE

intentionally failing to disclose that on or about October 14, 2005, Mark Christopher Parman filed a voluntary petition in bankruptcy for relief under Chapter 7 of the U.S. Bankruptcy Code in Case Number 05-84679-hdh7 in

the United States Bankruptcy Court for the Northern District of Texas, Dallas Division, and that on or about March 22, 2006, Mark Christopher Parman was granted a discharge in this case under Section 727 of Title 11 U.S. Code by said bankruptcy court, said information being a material fact; and

PARAGRAPH THIRTEEN


intentionally failing to disclose that as of at least January 1, 2008, Mark Christopher Parman was not registered as a dealer and/or agent or registered as an investment advisor or investment advisor representative, authorized to sell securities in the State of Texas, by the Securities Commissioner of the State of Texas, said information being a material fact; and

PARAGRAPH FOURTEEN

intentionally failing to disclose that as of at least January 1, 2008, Intercontinental Energy, Inc. was not registered as a broker and/or dealer, authorized to sell securities in the State of Texas, by the Securities Commissioner of the State of Texas, said information being a material fact; and

All of said amounts were obtained pursuant to one scheme and continuing course of conduct, and the aggregate amount that was obtained was \$100,000.00 or more;


Against the peace and dignity of the State.



FOREPERSON OF THE GRAND JURY

FILED

2014 DEC -9 PM 1:09

ANDREA STROH THOMPSON
DISTRICT CLERK
COLLIN COUNTY, TEXAS
BY  DEPUTY