

State of Missouri  
Office of Secretary of State

Case No. AP-08-26

IN THE MATTER OF:

PETRO AMERICA CORPORATION;  
OWEN HAWKINS; and  
MARTIN ROPER,

Respondents.

Serve: Petro America Corporation  
c/o Darren Fulcher  
Fulcher & Brooks, LLC  
106 W. 11<sup>th</sup> Street, Suite 1540  
Kansas City, Missouri 64105

Serve: Owen Hawkins at  
2300 Main Street, Suite 900  
Kansas City, Missouri 64108

*and*

Owen Hawkins at  
837 North 57<sup>th</sup> Street  
Kansas City, Kansas 66102

Serve: Martin Roper at  
512 North 75<sup>th</sup> Terrace  
Kansas City, Missouri 64108

**FINAL ORDER TO CEASE AND DESIST AND ORDER  
IMPOSING CIVIL PENALTIES AND AWARDING COSTS**

On April 16, 2010, the Enforcement Section of the Securities Division of the Office of Secretary of State (the "Enforcement Section"), by and through Assistant Commissioner, Mary S. Hosmer, submitted a Petition for Final Order to Cease and Desist and Payment of Civil Penalties and Costs as to all Respondents (the "Petition"). After reviewing the Petition, the Commissioner issues the following findings of facts, conclusion of law, and order:

**PROCEDURAL BACKGROUND**

1. On October 31, 2008, Mary S. Hosmer, Assistant Commissioner for the Securities Division and on behalf of the Enforcement Section ("Enforcement Section"), submitted a Petition for Order to Cease and Desist and Order to Show Cause Why Civil Penalties and Costs Should not be Imposed (the "C&D Petition") in the above-styled matter.
2. On November 12, 2008, the Commissioner issued an Order to Cease and Desist and Order to Show Cause Why Civil Penalties and Costs Should not be Imposed against Respondents (the "C&D Order").
3. On December 24, 2008, at the request of the Respondents, the Commissioner issued an order setting a pre-hearing conference on January 23, 2009, and a hearing for March 16, 2009.
4. The hearing on this matter was continued, on motions of the parties, to August 26, 2009, and then again to October 27, 2009.
5. On October 14, 2009, Respondent Roper withdrew his request for a hearing and requested a final order.
6. On October 16, 2009, Respondent Hawkins withdrew his request for a hearing and requested a final order.
7. On October 26, 2009, Darren E. Fulcher, on behalf of Respondent Petro America Corporation ("Petro"), withdrew Petro's request for a hearing.
8. In the Petition, the Enforcement Section requested a Final Order to Cease and Desist in this matter.
9. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against each Respondent for multiple violations of Section 409.3-301, RSMo. (Cum. Supp. 2009).

10. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against Respondent Hawkins and Respondent Roper for multiple violations of Section 409.4-402(a), RSMo. (Cum. Supp. 2009).
11. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against Respondent Petro for multiple violations of Section 409.4-402(d), RSMo. (Cum. Supp. 2009).
12. In the Petition, the Enforcement Section requested that the Commissioner issue an order imposing a civil penalty of ten thousand dollars (\$10,000) against each Respondent for multiple violations of Section 409.5-501, RSMo. (Cum. Supp. 2009).
13. In the Petition, the Enforcement Section requested that the Commissioner issue an order requiring Respondents to pay costs of the investigation in this matter in the amount of ten thousand six hundred and sixty dollars (\$10,660).
14. In the Petition, the Enforcement Section requested that the Commissioner issue an order suspending Respondent Roper's penalties, provided that Respondent Roper complies with the requested order and does not violate the securities act for a period of three (3) years.

#### FINDINGS OF FACT

17. The Commissioner adopts and incorporates the Findings of Facts, paragraphs 1-26, in the C&D Order.

#### CONCLUSIONS OF LAW

18. The Commissioner adopts and incorporates the Conclusions of Law, paragraphs 37-55, in the C&D Order.
19. This Order is in the public interest and consistent with the purposes intended by the Missouri Securities Act of 2003.

#### ORDER

**NOW, THEREFORE**, it is hereby **ORDERED** that:

- A. The Cease and Desist Order entered in Case Number AP-08-26 on November 12, 2008, is **FINAL**.
- B. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Petro America Corporation shall pay a civil penalty in the amount of six thousand dollars (\$6,000) to the State of Missouri for multiple violations of Section 409.3-301, RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Petro America Corporation shall deliver this payment to the Securities Division, 600 W. Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- C. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Owen Hawkins shall pay a civil penalty in the amount of six thousand dollars (\$6,000) to the State of Missouri for multiple violations of Section 409.3-301, RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Hawkins shall deliver this payment to the Securities Division, 600 W. Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- D. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Martin Roper shall pay a civil penalty in the amount of one thousand dollars (\$1,000) to the State of Missouri for multiple violations of Section 409.3-301, RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within one hundred twenty (120) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Roper shall deliver this payment to the Securities Division, 600 W. Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- E. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Owen Hawkins shall pay a civil penalty in the amount of three thousand dollars (\$3,000) to the State of Missouri for multiple violations of Section 409.4-402(a), RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Hawkins shall deliver this payment to the Securities Division, 600 W. Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- F. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Martin Roper shall pay a civil penalty in the amount of five hundred dollars (\$500) to the State of Missouri for multiple violations of Section 409.4-402(a), RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within one hundred twenty (120) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and

township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Roper shall deliver this payment to the Securities Division, 600 W. Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

- G. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Petro America Corporation shall pay a civil penalty in the amount of two thousand dollars (\$2,000) to the State of Missouri for multiple violations of Section 409.4-402(d), RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Petro America Corporation shall deliver this payment to the Securities Division, 600 W. Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- H. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Petro America Corporation shall pay a civil penalty in the amount of ten thousand dollars (\$10,000) to the State of Missouri for multiple violations of Section 409.5-501(2), RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Petro America Corporation shall deliver this payment to the Securities Division, 600 W. Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- I. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), Respondent Owen Hawkins shall pay a civil penalty in the amount of ten thousand dollars (\$10,000) to the State of Missouri for multiple violations of Section 409.5-501(2), RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Hawkins shall deliver this payment to the Securities Division, 600 W. Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- J. Pursuant to Section 409.6-604(d), RSMo. (Cum. Supp. 2009), and subject to paragraph L, below, Respondent Martin Roper shall pay a civil penalty in the amount of two thousand five hundred dollars (\$2,500) to the State of Missouri for multiple violations of Section 409.5-501(2), RSMo. (Cum. Supp. 2009). This amount shall be made payable to the State of Missouri and paid within thirty (30) days of the date of this Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. Respondent Roper shall deliver this payment to the Securities Division, 600 W. Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- K. Pursuant to Section 409.6-604(e), RSMo. (Cum. Supp. 2009), Respondent Petro America Corporation, Respondent Owen Hawkins, and Respondent Martin Roper shall pay, within thirty (30) days from the date of this Order, the additional sum of ten thousand six hundred sixty dollars (\$10,660) as reimbursement for costs of the investigation and administration of this matter. Respondents Petro America Corporation, Hawkins, and Roper shall be jointly and severally liable for this amount. This amount shall be made payable to the Missouri Secretary of State's Investor Education and Protection Fund. Respondent Petro America Corporation, Respondent Hawkins, and Respondent Roper shall deliver this payment to the Securities Division, 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.
- L. Provided that Respondent Roper complies in full with all terms of this order, including the payment requirements under paragraphs D and F, above, and does not violate the Missouri Securities Act of 2003 for a period of three (3) years from the date of this order, the civil penalties described in paragraph J, above, shall be suspended. At the expiration of the three-year suspension, if all terms of this order have been complied with and no violations of the Missouri Securities Act of 2003 committed by Respondent Roper, then the civil penalties charged in paragraph J to Respondent Roper shall be vacated and fully and finally waived. The suspended payment shall, for three (3) years from the date of this order, become immediately payable, under operation of law, upon Respondent Roper's failure to comply with the terms of this order, and such immediately due payments shall be in addition to all other penalties then available under the law. The Commissioner may refer this matter for enforcement as provided in Sections 409.6-603 and 409.6-604, RSMo. (Cum. Supp. 2009). Nothing in this paragraph L shall modify, suspend, or void, or be construed so as to modify, suspend, or void, paragraphs D and F, above.
- M. Pursuant to Section 409.6-604(f), RSMo. (Cum. Supp. 2009), this matter shall be referred to the Missouri Attorney General's Office to collect the penalties and costs described in this Order, as necessary.
- N. Respondents shall pay their own costs and attorney's fees with respect to this matter.

**SO ORDERED:**

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 19<sup>TH</sup> DAY OF MAY, 2010.

ROBIN CARNAHAN  
SECRETARY OF STATE

(Signed/Sealed)  
MATTHEW D. KITZI  
COMMISSIONER OF SECURITIES

CERTIFICATE OF SERVICE

I hereby certify that on this 19<sup>th</sup> day of May, 2010, a copy of the foregoing Final Order in the above styled case was **mailed by U.S. mail to:**

Petro America Corporation  
c/o Darren Fulcher  
Fulcher & Brooks, LLC  
106 W. 11<sup>th</sup> Street, Suite 1540  
Kansas City, Missouri 64105

Owen Hawkins  
2300 Main Street, Suite 900  
Kansas City, Missouri 64108

Owen Hawkins  
837 North 57<sup>th</sup> Street  
Kansas City, Kansas 66102

Martin Roper  
512 North 75<sup>th</sup> Terrace  
Kansas City, Kansas 66112

**And hand-delivered to:**

Mary S. Hosmer  
Assistant Commissioner  
Securities Division

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John Hale, Specialist