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U.S. Securities and Exchange Commission
William P. Hicks
Georgia Bar No. 351649
3475 Lenox Road, N.E., Suite 1000
Atlanta, GA 30326-1232
(404) 842-7675
Fax: (404) 842-7633

Kathryn E. Landreth
United States Attorney
701 East Bridger Ave., Suite 600
Las Vegas, NV 89101
(702) 388-6336

Attorneys for Plaintiff

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

SECURITIES AND EXCHANGE)
COMMISSION,)

Plaintiff,

vs.

CV-S-99-00501-JBR (LRL)

MAVEN CAPITAL CORPORATION,
MAVEN ENTERPRISES, INC., AND RODD
BUCKLE,)

Defendants,

and

MAVEN FINANCIAL CORPORATION,
MAVEN MOTORS, INC., MAVEN SPORTS
INFORMATION NETWORKS, INC.,
MAVEN PROPERTIES, INC., and MAVEN
CREDIT CORPORATION,)

Relief Defendants.

COMPLAINT

1 It appears to Plaintiff, Securities and Exchange Commission ("Commission"), and it alleges
2 the following:

3 **OVERVIEW OF DEFENDANTS' SCHEME**

4
5 1. From October 1996 to May 1998, Rodd Buckle ("Buckle"), a professional
6 gambler and a resident of Las Vegas, Nevada, conducted two fraudulent securities offerings of
7 unregistered securities through which he raised more than \$3.7 million from more than 325
8 investors throughout the United States. In the first offering he sold approximately \$2 million of
9 notes and/or investment contracts issued by Maven Capital Corporation ("Maven Capital") to
10 more than 300 investors. In the second offering, Buckle sold at least \$1.7 million in common and
11 preferred stock of Maven Enterprises, Inc. ("Maven Enterprises") to more than 100 investors,
12 many of whom were also investors in Maven Capital.
13

14 2. Buckle represented to some of the Maven Capital investors that almost all their
15 funds would be used to make conservative investments in certificates of deposit, real estate, and
16 stocks of proven casino and hotel operators, and that he would use from 1% to 5% of the Maven
17 Capital offering proceeds to stake his personal gambling business. Buckle represented to other
18 Maven Capital investors that as much as 50% of the offering proceeds would be used by him in
19 his gambling business.
20

21 3. In the Maven Enterprises offering, Buckle represented that he would use the
22 investors' money to invest in certificates of deposit, government securities, or other securities
23 and to acquire business opportunities in the gaming industry.
24

25 4. Contrary to his representations, Buckle used as much as 50% of the proceeds from
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1 the two offerings to finance his personal gambling, to maintain a lavish lifestyle for himself, and
2 to fund other business ventures unrelated to Maven Capital and Maven Enterprises.

3 5. Defendants Maven Capital, Maven Enterprises, and Buckle, by virtue of their
4 conduct, directly and indirectly, have engaged, and unless enjoined will continue to engage, in
5 transactions, acts, practices and courses of business that have constituted and will constitute
6 violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act") [15
7 U.S.C. 77e(a), 77e(c) and 77q(a)], and Section 10(b) of the Securities Exchange Act of 1934
8 ("Exchange Act") [15 U.S.C. 78j(b)] and Rule 10b-5 [17 C.F.R. 240.10b-5] promulgated
9 thereunder.
10
11

12 6. Pursuant to authority granted by Sections 10(b) and 23(a) of the Exchange Act [15
13 U.S.C. 78j(b) and 78w(a)], the Commission has promulgated Rule 10b-5 [17 C.F.R. 240.10b-5],
14 which rule was in effect at all times relevant herein and is now in effect.
15

16 JURISDICTION AND VENUE

17 7. The Commission brings this action pursuant to Sections 20(b) and 20(d) of the
18 Securities Act [15 U.S.C. 77t(b) and 77t(d)], and Sections 21(d) and 21(e) of the Exchange Act [15
19 U.S.C. 78u(d) and 78u(e)], to enjoin the defendants from engaging in the transactions, acts,
20 practices and courses of business alleged in this complaint, and transactions, acts, practices and
21 courses of business of similar purport and object, for appointment of a receiver, for disgorgement of
22 illegally obtained funds and prejudgment interest, for civil money penalties, for an officer and
23 director bar as to Buckle, and other equitable relief.
24

25 8. This Court has jurisdiction over this action pursuant to Sections 20(b), 20(d) and
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1 22(a) of the Securities Act [15 U.S.C. 77t(b), 77t(d) and 77v(a)] and Sections 21(d), 21(e) and 27 of
2 the Exchange Act [15 U.S.C. 78u(d), 78u(e) and 78aa].

3 9. The defendants, directly and indirectly, made use of the mails, the means and
4 instruments of transportation and communication in interstate commerce, and the means and
5 instrumentality's of interstate commerce in connection with the transactions, acts, practices and
6 courses of business alleged in this complaint.

7
8 10. Certain of the transactions, acts, practices, and courses of business constituting
9 violations of the Securities Act and the Exchange Act have occurred in the District of Nevada.
10 Maven Enterprises and the relief defendants are Nevada corporations, and Maven Capital, though a
11 Tennessee corporation, is headquartered in Las Vegas, Nevada. Buckle, while residing in Nevada,
12 ran Maven Capital and Enterprises, as well as the relief defendants, from his home in Las Vegas,
13 Nevada.

14
15 11. The defendants, unless restrained and enjoined by this Court, will continue to
16 engage in the transactions, acts, practices and courses of business alleged in this complaint, and in
17 transactions, acts, practices and courses of business of similar purport and object.

18
19 DEFENDANTS

20
21 12. Maven Capital Corporation is a Tennessee corporation with its principal place of
22 business located in Las Vegas, Nevada. Maven Capital purportedly is in the business of
23 investing in real estate, certificates of deposit, hotel-casino stocks and making loans to Buckle for
24 financing Buckle's professional gambling.

25 13. Maven Enterprises, Inc. is a Nevada corporation with its principal place of
26

1 business in Las Vegas. Maven Enterprises purportedly is in the business of acquiring other
2 gaming-industry related businesses.

3
4 14. Rodd Buckle, age 40, is the chief executive officer and a director of both Maven
5 Capital and Maven Enterprises. He resides in Las Vegas, Nevada. Buckle claims to be engaged
6 in business as a professional gambler.

7 **RELIEF DEFENDANTS**

8
9 15. Maven Financial Corporation ("Maven Financial") is a Nevada company formed
10 by Buckle. No stock was ever issued by this company.

11
12 16. Maven Motors, Inc. ("Maven Motors") is a Nevada corporation formed by
13 Buckle. No stock was ever issued by this company.

14
15 17. Maven Sports Information Networks, Inc. ("Maven Sports") is a Nevada
16 corporation formed by Buckle. No stock was ever issued by this company.

17
18 18. Maven Properties, Inc. ("Maven Properties") is a Nevada corporation formed by
19 Buckle in order to manage real estate in Nashville, Tennessee and Las Vegas, Nevada. No stock
20 was ever issued by this company.

21
22 19. Maven Credit Corporation ("Maven Credit") is a Nevada corporation formed by
23 Buckle for the purpose of making small business loans to business owners in the Nashville,
24 Tennessee area. No stock was ever issued by this company.

25 **THE MAVEN CAPITAL OFFERINGS**

26
20. From 1996 through early 1998, the defendants conducted two fraudulent securities offerings through which they raised over \$3.7 million from more than 325 investors in

1 more than eleven states.

2 21. In the first of those offerings, Buckle and Maven Capital raised more than \$2
3 million by selling notes and/or investment contracts signed by Buckle.
4

5 22. Buckle and his agents sold Maven Capital notes and/or investment contracts to
6 investors through personal contact, telephone solicitations, and group meetings.

7 23. The notes and/or investment contracts were payable in one year but did not bear
8 any stated interest rate. Instead, the notes and/or investment contracts provided that monthly
9 "dividends" would be paid on the notes and/or investment contracts. The notes and/or investment
10 contracts provided that these dividends would be derived from the net income of Maven Capital,
11 in amounts to be determined on a month-to-month basis at the sole discretion of Maven Capital
12 itself.
13

14 24. Initially, from August 1997 through approximately January 1998, Buckle used
15 offering documents which described Maven Capital as a vehicle for funding Buckle's gambling
16 business.
17

18 25. According to those offering documents, Maven Capital would lend investor funds
19 to Buckle who would use those funds to bet on sporting events.
20

21 26. During the course of the Maven Capital offering, in January 1998, the State of
22 North Carolina issued a cease-and-desist order against Buckle and Maven Capital. The North
23 Carolina order contained findings that Buckle and Maven Capital had illegally sold unregistered
24 securities, and ordered them to cease and desist from such conduct.
25

26 27. Then, in March 1998, the State of Alabama issued a cease-and-desist order against

1 Buckle and Maven Capital. The Alabama order also contained findings that Buckle and Maven
2 Capital had illegally sold unregistered securities, and ordered them to end their unregistered
3 offering.

4
5 28. Buckle did not terminate his fraudulent offering after North Carolina and
6 Alabama issued their cease-and-desist orders.

7 29. The Maven Capital offering documents were revised in a way that minimized
8 disclosure of the extent to which offering proceeds would be used to fund his professional
9 gambling.

10
11 30. The new offering documents represented that 95% of the investor's money would
12 be used to purchase real estate, certificates of deposit, and stocks of seasoned hotel and casino
13 operators. The new documents represented that an average of 1% to 5% of the offering proceeds
14 would be loaned to Buckle for his gambling.

15
16 31. In particular, the offering documents claimed that Maven Capital had already
17 purchased a former residence of Howard Hughes in Las Vegas and claimed further that this real
18 estate would generate an "estimated" profit of \$20 million for Maven Capital in five years.

19 32. Later offering materials, distributed by Buckle in April 1998, disclosed that as
20 much as 50% of the investors' funds might be loaned to Buckle for his gambling business.

21
22 33. These same offering documents, however, represented that Maven Capital derived
23 income from three sources. The offering documents disclosed that Maven Capital owned an
24 interest in a Nashville Tennessee hotel, that Maven Capital earned income from its investment
25 portfolio, and that Maven Capital received profits from Buckle's professional gambling.
26

1 34. The April 1998 offering documents also represented that Maven Capital planned
2 to go public in the near future, and that investors could purchase unregistered stock at \$1.00 per
3 share directly from the company.

4
5 35. None of the offering documents Buckle used to raise money for Maven Capital
6 disclosed that Buckle would use investor funds to pay his personal expenses or to purchase assets
7 in his own name.

8 36. Buckle terminated the Maven Capital offering in May 1998.

9
10 THE MAVEN ENTERPRISES OFFERINGS

11 37. In Buckle's second offering, he raised at least \$1.7 million by selling common and
12 preferred stock of Maven Enterprises at \$1 and \$20 per share respectively to over 100 investors
13 from September 15, 1997 through May 31, 1998. The stock was sold directly by Maven
14 Enterprises.

15
16 38. Buckle was chairman of the board and owned 2,550,000 shares of Maven
17 Enterprises common stock. This represented 45% of the outstanding shares at the time the
18 preferred stock offering documents were drafted.

19 39. According to the offering memoranda used to sell the stock, the primary business
20 purpose of Maven Enterprises was to seek merger or acquisition candidates in the gaming
21 industry.

22
23 40. The offering documents were distributed to many of the existing Maven Capital
24 note holders, and were prepared by Buckle personally.

25 41. Those offering materials represented that Maven Enterprises would use proceeds
26

1 from the sale of its stock to invest in businesses in the gaming industry.

2 42. Maven Enterprises did use \$300,000 to make one acquisition in the gaming
3 industry. On April 9, 1998, Maven Enterprises announced that it had acquired 45.8% of the
4 stock of an NASD Bulletin Board company named Beeper Plus, Inc. ("Beeper Plus"). The
5 business of Beeper Plus is to broadcast up-to-the-minute scores, betting lines, weather updates,
6 and injury reports to alpha-numeric pagers leased by its customers. Beeper Plus has since
7 changed its name to Maven Sports Page, Inc.
8

9
10 MATERIAL MISREPRESENTATIONS AND OMISSIONS

11 43. All the offering materials distributed by Buckle in both the Maven Capital and
12 Maven Enterprises offerings contain materially false and misleading statements, and Buckle
13 knew the statements were false at the time they were made.

14 44. The Maven Capital offering materials stated that proceeds would be used to make
15 investments in publicly traded gaming-industry stocks and to make loans to Rodd Buckle Sports
16 for use in its wagering business. Buckle knew these representations were false when they were
17 made. Contrary to these representations, the funds were used in the following manner:
18

19 a. Almost \$225,000 of investor funds were used to accumulate a fleet of
20 automobiles, including sports cars and sport utility vehicles.
21

22 b. Buckle routinely spent thousands of dollars from investor funds to pay
23 personal expenses such as cleaning, grocery, and drugstore bills.

24 c. Buckle lent at least \$25,000 of investor funds to other local gamblers in
25 Las Vegas.
26

1 d. Buckle used \$200,000 of the investors' money to make a down payment
2 on the former Howard Hughes residence mentioned in the Maven Capital offering documents.
3 However, Buckle bought that real estate, which he used as a personal residence, in his own name.
4

5 e. Similarly, several office buildings and condominiums characterized in
6 Maven Capital offering documents as belonging to Maven Capital were purchased by Buckle in
7 his own name with investor funds. These pieces of real estate have a total value of
8 approximately \$725,000.
9

10 45. The Maven Enterprises common and preferred stock offering materials stated that
11 the proceeds would be used to investigate potential merger/acquisition candidates in the gaming
12 industry. Buckle knew these representations were false when they were made. Buckle intended
13 to and did transfer most of these proceeds to the accounts of Maven Capital and the relief
14 defendants. These funds were then used in an unauthorized manner as described in paragraph 44.
15

16 46. Buckle diverted more than \$580,000 of investor funds to the proposed relief-
17 defendant corporations. However, the relief-defendant corporations provided nothing of value in
18 exchange for the funds that were transferred to them by Buckle; therefore, they were unjustly
19 enriched by these transfers.
20

21 47. Buckle formed all the relief defendant corporations, but they never issued stock.
22 None of them is engaged in businesses which fall within the scope of the proposed use of
23 proceeds disclosed in the various Maven Capital and Maven Enterprises offering materials.
24

24 48. In total, Buckle misappropriated more than \$500,000 from Maven Capital.
25

25 49. As to Maven Enterprises, Buckle diverted at least \$1.5 million to Maven Capital
26

1 and the companies he controls which are named as relief defendants.

2 COUNT I

3 FRAUD

4
5 Violations of Section 17(a)(1) of the
6 Securities Act [15 U.S.C. 77q(a)(1)]

7
8 50. Paragraphs 1 through 49 are hereby realleged and are incorporated herein by
9 reference.

10 51. From in or about October 1996 through the present, defendants Maven Capital,
11 Maven Enterprises, and Buckle, singly and in concert, in the offer and sale of securities, by the use
12 of means and instruments of transportation and communication in interstate commerce and by use
13 of the mails, directly and indirectly, employed devices, schemes and artifices to defraud purchasers
14 of such securities, all as more particularly described above.

15
16 52. The defendants knowingly, intentionally, and/or recklessly engaged in the
17 aforementioned devices, schemes and artifices to defraud.

18
19 53. By reason of the foregoing, defendants Maven Capital, Maven Enterprises, and
20 Buckle have violated, and, unless restrained and enjoined, will continue to violate Section 17(a)(1)
21 of the Securities Act [15 U.S.C. 77q(a)(1)].
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1 and (3) of the Securities Act [15 U.S.C. 77q(a)(2) and (3)].

2 COUNT III

3 FRAUD

4
5 Act [15 U.S.C. 78j(b)] and Rule 10b-5

6 Thereunder [17 C.F.R. 240.10b-5]

7
8 57. Paragraphs 1 through 49 are hereby realleged and are incorporated herein by
9 reference.

10 58. From in or about October 1996 through the present, defendants Maven Capital,
11 Maven Enterprises, and Buckle, in connection with the purchase and sale of securities, by the use of
12 means and instrumentality's of interstate commerce and by use of the mails, directly and indirectly:

- 13
14 (a) employed devices, schemes, and artifices to
15 defraud;
- 16 (b) made untrue statements of material facts and omitted to state material facts
17 necessary in order to make the statements made, in the light of the
18 circumstances under which they were made, not misleading; and
19
- 20 (c) engaged in acts, practices, and courses of business which operated as a fraud
21 and deceit upon persons,

22 all as more particularly described above.

23
24 59. Said defendants knowingly, intentionally and/or recklessly engaged in the above-
25 described conduct.

1 any means or instruments of transportation, for the purpose of sale or for delivery
2 after sale; and

3 c. make use of the means or instruments of transportation or communication in
4 interstate commerce or of the mails to offer to sell or offer to buy, through the use or
5 medium of any prospectus or otherwise, the securities described herein as notes,
6 investment contracts, and stock, without a registration statement having been filed
7 with the Commission as to such securities.
8

9 These acts include, but are not limited to, the activities described in paragraphs 1 through 49 of this
10 complaint.
11

12 64. By reason of the foregoing, defendants Maven Capital, Maven Enterprises, and
13 Buckle, directly and indirectly, singly and in concert, have violated, and unless enjoined, will
14 continue to violate Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. § 77e(a) and 77e(c)].
15

16 **PRAYER FOR RELIEF**

17 **WHEREFORE**, Plaintiff Securities and Exchange Commission respectfully prays for:
18

19 **I.**

20 A permanent injunction, restraining and enjoining defendants Maven Capital, Maven
21 Enterprises, and Buckle, their officers, agents, servants, employees, attorneys, and those persons in
22 active concert or participation with them who receive actual notice of the order of injunction, and
23 each of them, whether as principals or as aiders and abettors, from violating Sections 5(a), 5(c) and
24 17(a) of the Securities Act [15 U.S.C. 77e(a), 77e(c) and 77q(a)], Section 10(b) of the Exchange
25 Act [15 U.S.C. 78j(b)], and Rule 10b-5 [17 C.F.R. 240.10b-5] promulgated thereunder.
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II.

An order requiring accountings by defendants Maven Capital, Maven Enterprises, and Buckle of the use of proceeds of the sales of the securities described in this Complaint, an order requiring the disgorgement by Maven Capital, Buckle, Maven Enterprises, Maven Financial, Maven Motors, Maven Sports, Maven Properties, and Maven Credit of all ill-gotten gains or unjust enrichment with prejudgment interest, to effect the remedial purposes of the federal securities laws, and an order freezing the assets of Buckle, to preserve the status quo.

III.

An order pursuant to Section 20(d) of the Securities Act [15 U.S.C. 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. 78u(d)(3)] imposing civil penalties against defendant Buckle.

IV.

An order appointing a receiver to marshal the assets of Maven Capital, Maven Enterprises, Maven Financial, Maven Motors, Maven Sports, Maven Properties, and Maven Credit and to take other actions necessary to achieve a just distribution of those assets.

V.

An order prohibiting defendants and relief defendants as well as their officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them who receive actual notice of the order of injunction, and each of them, whether as principals or as aiders and abettors, from directly or indirectly tampering with, mutilating, altering, erasing, concealing,

1 removing, destroying or otherwise disposing of any and all books, records, documents, files,
2 correspondence, computer tapes, computer disks, computer diskettes, or any other data recordings
3 of any type, however created, produced, or stored, relating to, pertaining to, or referring to the
4 defendant or relief defendants, his officers, directors, employees, and agents, or any financial
5 transactions by any of the defendants or relief defendants or to which any of the defendants was a
6 party.
7

8 **VI.**

9 An order barring defendant Buckle from acting as an officer or director of any issuer
10 required to file reports pursuant to Sections 12(b), 12(g), or 15(d) of the Exchange Act, pursuant to
11 Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], as a result of his violations of
12 Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.
13

14 **VII.**

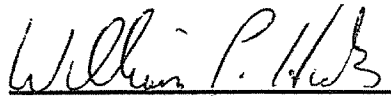
15 Such other and further relief as this Court may deem just, equitable, and appropriate in
16 connection with the enforcement of the federal securities laws and for the protection of investors.
17 Further, the Securities and Exchange Commission respectfully prays that the Court retain
18 jurisdiction over this action in order to implement and carry out the terms of all orders and decrees
19 that are entered or to entertain any suitable application or motion by the Commission for additional
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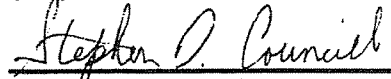
relief within the jurisdiction of this Court.

DATED: April 19, 1999

RESPECTFULLY SUBMITTED,



William P. Hicks
District Trial Counsel
Georgia Bar No. 351649
(404) 842-7675



Stephen D. Council
Stephen D. Council
Staff Attorney
North Carolina Bar No. 25356
(404) 842-7619

Counsel for Plaintiff
Securities and Exchange Commission
3475 Lenox Road, N.E., Suite 1000
Atlanta, Georgia 30326-1232