* w/app

**DEFENDANT** **Phillip Michael Carter** **CHARGE** **Securities Fraud >$100K Article 581 Sec. 29C Texas Securities Act**

Person ID: 153644, 2018-13929

**ADDRESS** **LKA: 4285 Cedar Bluff Lane, Frisco, Texas 75033** **CAUSE#** 296-83865-2018

**DESCRIPTION** **W/M;** **AGENCY/#** **State Securities Board** **ARREST INFORMATION** **GJR**

**Witness: USSS Special Agent**

**C/C** **Bobby Eugene Guess: Cause Nos. 296-83755-2016; 296-83756-2016; 296-83757-2016 and 296-83758-2016; Richard Tilford: Cause Nos. 296-81936-2018; 296-81937-2018; and 296-81938-2018; Shelley Noel Carter**

## 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., 2018 of the 380th District Court of said county, in said court at said term, do present that**

**PHILLIP CARTER, 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 investments in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account (hereafter the "N40 Investment Program"), said investments being securities, to wit: notes, investments contracts, and evidences of indebtedness, to each of the persons listed below, and in the following amounts:

| DATE OF INVESTMENT | PERSON | AMOUNT OF INVESTMENT |
|---|---|---|
| 07/14/15 | BOBBY W. MC QUEEN | $ 50,000.00 |
| 08/06/15 | PHILLIP S. OR MARY HOKIT | $ 150,000.00 |
| 09/03/15 | W. XON / EMG ACCOUNT CROSSNOE | $ 100,000.00 |
| 09/03/15 | JERRY G. SHIDAL | $ 240,000.00 |
| 09/11/15 | DOUGLAS W. OR MOON JA MCLEAN | $ 1,587.90 |
| 09/11/15 | DOUGLAS W. OR MOON JA MCLEAN | $ 98,412.10 |
| 09/25/15 | PAULA AND JAMES FULLER CROSSNOE | $ 130,000.00 |
| 09/25/15 | XON OR PAULA J. CROSSNOE | $ 40,000.00 |

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|---|---|---|---|
| 09/30/15 | HENRY W. BROOKS | $ | 212,000.00 |
| 10/27/15 | HENRY W. BROOKS | $ | 48,000.00 |
| 10/27/15 | DAVID DURBON | $ | 50,000.00 |
| 11/18/15 | MARTIN B. ROUSTIO | $ | 50,000.00 |
| 12/23/15 | WAYNE E. OR EDELTRAUT EDGERTON | $ | 200,000.00 |
| 12/23/15 | EILEEN B. SEYMOUR OR BARBARA S. WOODRING | $ | 23,000.00 |
| 12/29/15 | STEVEN EDGERTON | $ | 100,000.00 |
| 12/30/15 | INGRID J. EDGERTON OR ADAM C. COUSINS | $ | 200,000.00 |
| 12/31/15 | DR. GLENDA W. BRADSTOCK | $ | 40,000.00 |
| 12/31/15 | DR. GLENDA W. BRADSTOCK | $ | 120,000.00 |
| 12/31/15 | DR. GLENDA W. BRADSTOCK | $ | 340,000.00 |
| 12/31/15 | RONALD LEHMAN | $ | 150,000.00 |
| 12/31/15 | CHARLES SIZEMORE / TRISTONIAN INVESTMENTS | $ | 50,000.00 |
| 01/20/16 | EILEEN SEYMOUR | $ | 27,000.00 |
| 02/01/16 | PATRICIA A. WILSON | $ | 130,000.00 |
| 02/16/16 | ALRIC B. SIMON | $ | 50,000.00 |
| 02/19/16 | GERRY BRADFORD | $ | 152,500.00 |
| 02/19/16 | RICHARD J. RANSOPHER | $ | 87,000.00 |
| 02/22/16 | LEAN MOON JA MC | $ | 89,000.00 |
| 02/22/16 | PATRICIA WILSON | $ | 116,000.00 |
| 02/23/16 | MARY R. RANSOPHER | $ | 23,000.00 |
| 02/24/16 | TERRY BLANKS | $ | 200,000.00 |
| 02/26/16 | RON ANDERSON | $ | 100,000.00 |
| 02/26/16 | DAVID/RED RIVER RUSTIC WRIGHT | $ | 700,000.00 |
| 03/01/16 | DAVID DURBON | $ | 35,000.00 |
| 03/11/16 | RUSSELL BERNARD & BEVERLY ADAMS | $ | 75,000.00 |
| 03/11/16 | MARY JANE GRAY | $ | 50,000.00 |
| 03/11/16 | ELYSE N. GREENSPAN | $ | 50,000.00 |
| 03/11/16 | MARY CASSANDRA MITTEN | $ | 160,000.00 |
| 03/14/16 | JERRY G. OR JUDITH SHIDAL | $ | 88,500.00 |
| 03/16/16 | ROYCE DAVID GRAY | $ | 200,500.00 |
| 03/17/16 | WILLIAM FRANK RAUSCHUBER | $ | 50,000.00 |
| 03/17/16 | SARAH C. HUGGINS | $ | 50,000.00 |
| 03/17/16 | WILLIAM S. HUGGINS | $ | 50,000.00 |
| 03/17/16 | WILLIAM S. HUGGINS | $ | 50,000.00 |
| 03/18/16 | WILLIAM S. HUGGINS | $ | 100,000.00 |
| 03/21/16 | WAYNE EDGERTON | $ | 50,000.00 |
| 03/22/16 | CAROL OR W. DANIEL HOWARD | $ | 116,000.00 |
| 03/23/16 | ANTHONY RODRIQUEZ | $ | 50,000.00 |
| 03/23/16 | JUDY HOOFMAN | $ | 160,000.00 |
| 03/24/16 | DONALD TIMOTHY W MC | $ | 150,000.00 |
| 04/06/16 | LEON GAYLOR | $ | 50,000.00 |
| 04/06/16 | DAVID EDGEWORTH | $ | 200,000.00 |
| 04/06/16 | KEN OR GLORIA MARTIN | $ | 100,000.00 |
| 04/06/16 | J. P. OR LINDA STILWELL | $ | 100,000.00 |

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|---|---|---|---|
| 04/12/16 | CRAIG OR SANDY WILLIAMS | $ | 245,500.00 |
| 04/13/16 | JOSEPH P. STILWELL | $ | 100,000.00 |
| 04/13/16 | ROBERT B. BUTLER | $ | 50,000.00 |
| 04/14/16 | TOM COKER | $ | 55,000.00 |
| 04/21/16 | THOMAS M. HOGUE II | $ | 100,000.00 |
| 04/21/16 | PHILLIP S. OR MARY HOKIT | $ | 100,000.00 |
| 05/05/16 | I. A. OR WILLIAM L. SCOTT | $ | 40,000.00 |
| 05/06/16 | JOSEPH P STILWELL | $ | 100,000.00 |
| 05/12/16 | MARY HOKIT | $ | 19,000.00 |
| 05/12/16 | JAMES NEWTON KAY | $ | 255,000.00 |
| 05/17/16 | JAMES NEWTON KAY | $ | 80,000.00 |
| 05/31/16 | L. NEIL & CHERRI E. GOODMAN | $ | 250,000.00 |
| 05/31/16 | ANDREW OR SANDI ALLEN | $ | 713,000.00 |
| 06/03/16 | DOUGLAS MC LEAN | $ | 100,000.00 |
| 06/13/16 | LOYAL N GOODMAN | $ | 100,000.00 |
| 06/15/16 | DOUGLAS W. OR MOON JA MC LEAN | $ | 300,000.00 |
| 06/24/16 | PHILLIP S. OR MARY HOKIT | $ | 200,000.00 |
| 06/27/16 | PHILLIP HOKIT | $ | 200,000.00 |
| 06/28/16 | MARY HOKIT | $ | 101,500.00 |
| 07/01/16 | JOHN G BERCIER | $ | 200,000.00 |
| 07/01/16 | THOMAS M. OR CAROLINA P. BUIE | $ | 300,000.00 |
| 07/11/16 | MICHAEL GRISHAM / ROCKNCEDAR RANCH, L.P. | $ | 200,000.00 |
| 07/26/16 | CHARLES E TEAGUE | $ | 228,500.00 |
| 07/26/16 | CHARLES KNOTT | $ | 2,000,000.00 |
| 08/15/16 | WILLIAM A. MOORE / MOORE INVESTMENTS | $ | 175,000.00 |
| 08/15/16 | ANGEL OR ERIKA RUBALCAVA | $ | 21,925.87 |
| 08/15/16 | NAOMI (BARNEY) SCOTT | $ | 28,074.13 |
| 08/15/16 | NAOMI R. SCOTT | $ | 55,000.00 |
| 08/15/16 | LORI WILLIAMSON / NEW HOPE HOLDINGS | $ | 15,000.00 |
| 08/17/16 | REESE W. OR LORI E. WILLIAMSON | $ | 100,000.00 |
| 09/08/16 | MARY JANE GRAY | $ | 150,000.00 |
| 09/08/16 | WAYNE M. PERUN | $ | 134,278.69 |
| 09/15/16 | DWAYNE M. TUNNELL | $ | 100,000.00 |
| 09/15/16 | JOHN CHARLES OR CHRISTA R. HARTWIG | $ | 68,250.00 |
| 09/27/16 | PHILLIP S. OR MARY HOKIT | $ | 50,000.00 |
| 10/04/16 | JR. TOM B. OR MARY B. COKER | $ | 50,000.00 |
| 11/01/16 | PATRICIA A. WILSON | $ | 55,000.00 |
| 11/02/16 | DAVID DURBON | $ | 232,003.00 |
| 11/08/16 | HENRY W. BROOKS | $ | 50,000.00 |
| 11/09/16 | ELYSE N. GREENSPAN | $ | 50,000.00 |
| 11/14/16 | MICHAEL A. GREENSPAN | $ | 100,000.00 |
| 11/14/16 | JOEL KRONING | $ | 903,448.59 |
| 11/17/16 | ZANE WRIGHT | $ | 54,500.00 |
| 11/18/16 | MARTIN B. ROUSTIO | $ | 248,000.00 |
| 12/01/16 | SUZETTE T. JONES | $ | 43,576.00 |

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|---|---|---|---|
| 12/02/16 | STEPHEN W. DODGE | $ | 250,476.00 |
| 12/06/16 | THOMAS E. WELCH | $ | 150,000.00 |
| 12/14/16 | WAYNE M. PERUN | $ | 50,000.00 |
| 12/14/16 | WILLIAM R. BENEFIELD JR. OR SYLVIA F. BENEFIELD | $ | 50,000.00 |
| 12/14/16 | SACHER L. DAWSON OR RITHA JOHNSON | $ | 20,000.00 |
| 12/14/16 | ROBIN LEE MURRAY OR TRICIA ANITA CRAWFORD | $ | 5,000.00 |
| 12/14/16 | RONNIE C. OR ROBIN L. MURRAY | $ | 60,000.00 |
| 12/14/16 | DAVID STROUD | $ | 50,000.00 |
| 12/19/16 | ROBERT TRAVIS | $ | 80,000.00 |
| 12/19/16 | PAUL GRIMM / EVERAFTER 1, LLC | $ | 60,000.00 |
| 12/19/16 | M. T. OR DEBRA HOPSON | $ | 50,000.00 |
| 12/21/16 | TIMOTHY J. OR STACY M. WOLLENBURG | $ | 52,320.00 |
| 12/21/16 | HENRY W. BROOKS | $ | 50,000.00 |
| 12/29/16 | MICHAEL D. OR CLIFTON DAN TURNER | $ | 20,000.00 |
| 12/29/16 | ADAM C. COUSINS OR INGRID EDGERTON | $ | 112,000.00 |
| 12/30/16 | STEVEN EDGERTON | $ | 224,000.00 |
| 01/04/17 | WAYNE E. EDGERTON | $ | 60,000.00 |
| 01/09/17 | CHARLES SIZEMORE / TRISTONIAN INVESTMENTS | $ | 112,000.00 |
| 01/25/17 | LOU OR PENNY DINARDO | $ | 141,700.00 |
| 01/31/17 | PATRICIA A. WILSON | $ | 52,000.00 |
| 01/31/17 | JAMES D. BRACE | $ | 100,500.00 |
| 01/31/17 | ROBERT BUTLER | $ | 50,450.00 |
| 01/31/17 | MICHAEL EVANS | $ | 26,134.00 |
| 01/31/17 | DANNA ROBERT LISOT | $ | 69,471.00 |
| 01/31/17 | CHARLES W. MC PHERSON | $ | 137,096.16 |
| 01/31/17 | TIMOTHY SHIDAL | $ | 150,545.00 |
| 02/09/17 | KERRY R. WARD | $ | 50,000.00 |
| 02/15/17 | ALRIC B. SMITH | $ | 100,000.00 |
| 02/15/17 | LOU OR PENNY DINARDO | $ | 100,000.00 |
| 02/15/17 | JOEL KRONING | $ | 4,000.00 |
| 02/25/17 | CHARLES SIZEMORE / TRISTONIAN INVESTMENTS | $ | 25,070.00 |
| 03/02/17 | EILEEN B. SEYMOUR | $ | 168,000.00 |
| 03/18/17 | RONALD LEHMAN | $ | 126,140.00 |
| 04/20/17 | ANTHONY RODRIQUEZ | $ | 109,000.00 |

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

**PARAGRAPH ONE**

intentionally failing to disclose funds invested by investors in the N40 Investment Program were being used by the defendant to pay the personal expenses of the defendant and his family; said information being a material fact; and

**PARAGRAPH TWO**

knowingly and intentionally representing funds invested by investors in the N40 Investment Program would be used for the purpose of developing real property, said information being a misrepresentation of a relevant fact; and

**PARAGRAPH THREE**

intentionally failing to disclose funds invested by investors in the N40 Investment Program were used for purposes other than developing real property, said information being a material fact; and

**PARAGRAPH FOUR**

intentionally failing to disclose funds invested by investors in the N40 Investment Program were being used to pay investors purported principal investment and/or purported return on their investments; said information being a material fact; and

**PARAGRAPH FIVE**

knowingly and intentionally representing investments made in the N40 Investment Program were backed by hard assets, said information being a misrepresentation of a relevant fact; and

**PARAGRAPH SIX**

knowingly and intentionally representing Defendant obtained a Chemical Engineering Degree from the University of Virginia, said information being a misrepresentation of a relevant fact; and

**PARAGRAPH SEVEN**

knowingly and intentionally representing Defendant worked as a project engineer for Texas Instruments, said information being a misrepresentation of a relevant fact; and

**PARAGRAPH EIGHT**

knowingly and intentionally representing Defendant traveled with and/or worked for Robert Kiyosaki, said information being a misrepresentation of a relevant fact; and

**PARAGRAPH NINE**

intentionally failing to disclose on or about February 1, 2016, Bobby Eugene Guess, defendant's sales agent, was served with a target letter from the United States Attorney's Office for the Eastern District of Texas informing Bobby Eugene Guess he was the subject of a federal investigation being conducted by the United States Secret Service for alleged violations of 18 U.S.C. Section 1956 (money laundering), 18 U.S.C. Section 1341 (mail fraud), 18 U.S.C. Section 1014 (loan fraud), and 18 U.S.C. 1348 (securities fraud); said information being material fact; and

**PARAGRAPH TEN**

intentionally failing to disclose on or about May 16, 2016, the defendant was served with a target letter from the United States Attorney's Office for the Eastern District of Texas informing the defendant he was the subject of a federal investigation being conducted by the United States Secret Service for alleged violations of 18 U.S.C. Section 1956 (money laundering), 1343 (Wire Fraud), 1341 (Mail Fraud), 1014 (Loan Fraud), and 1348 (Securities Fraud); said information being material fact; and

**PARAGRAPH ELEVEN**

intentionally failing to disclose that on or about August 5, 2016, a search warrant was executed on the premises of Texas First Financial against said company and Bob Guess, defendant's sales agent, based on evidence of criminal activity, said information being a material fact; and

**PARAGRAPH TWELVE**

intentionally failing to disclose on or about August 15, 2016, an Emergency Cease and Desist Order was issued on Bob Guess and Texas First Financial, the defendant's agents, by the Texas State Securities Board, styled *In the Matter of Texas First Financial, LLC; Bobby Eugene Guess, et al,* Order No. ENF-16-CDO-1746, referencing the

N40 Investment Program, ordering Respondents to cease and desist from offering for sale and selling any security in Texas until both the security and Respondents were registered with the Securities Commissioner and to cease and desist from engaging in any fraud in connection with the offer for sale of any security in Texas; and

**PARAGRAPH THIRTEEN**

Intentionally failing to disclose on or about December 19, 2016, Defendant issued a check to Crossland Construction Company, Inc., for the purchase of labor and material on the Preston at Wade Crossing, Crescent Parc, and Prosper Business Park projects in the amount of $6,040,581.22, which was returned due to insufficient funds, said information being a material fact; and

**PARAGRAPH FOURTEEN**

intentionally failing to disclose on or about January 13, 2017, Crossland Construction Company, Inc., filed a *Mechanics' and Materialmen's Lien* on real property owned by McKinney Executive Suites at Crescent Parc Development Partners, LLC, defendant's company, otherwise known as the "Crescent Parc" property, said information being a material fact; and

**PARAGRAPH FIFTEEN**

intentionally failing to disclose on or about January 13, 2017, Crossland Construction Company, Inc., filed a *Mechanics' and Materialmen's Lien* on real property owned by Frisco Wade Crossing Development Partners, LLC, defendant's company, otherwise known as the "Frisco Wade Crossing" property, said information being a material fact; and

**PARAGRAPH SIXTEEN**

intentionally failing to disclose on or about January 13, 2017, Crossland Construction Company, Inc., filed a *Mechanics' and Materialmen's Lien* on real property owned by Prosper Flex Development Partners, LLC, defendant's company, otherwise known as the "Prosper Flex" property, said information being a material fact; and

**PARAGRAPH SEVENTEEN**

intentionally failing to disclose as of at least January 1, 2015, the N40 Investment Program and Texas First Financial, defendant's agent, 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

**PARAGRAPH EIGHTEEN**

Intentionally failing to disclose as of at least January 1, 2015, defendant 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 all said amounts were obtained pursuant to one scheme and continuing course of conduct, and the aggregate amount obtained was $100,000.00 or more,

against the peace and dignity of the State.

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FOREPERSON OF THE GRAND JURY

FILED

2018 NOV -6 PM 2:18

LYNNE FINLEY
DISTRICT CLERK
COLLIN COUNTY, TX
BY _____ DEPUTY

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**DEFENDANT** Phillip Michael Carter Person ID: 153644, 2018-13928 **CHARGE** Money Laundering § 34.02 >$300K

**ADDRESS** LKA: 4285 Cedar Bluff Lane, Frisco, Texas 75033 **CAUSE#** 296-83866-2018

**DESCRIPTION** W/M; **AGENCY/#** State Securities Board

**ARREST INFORMATION** GJR **Witness:** USSS Special Agent

**C/C** Bobby Eugene Guess: Cause Nos. 296-83755-2016; 296-83756-2016; 296-83757-2016 and 296-83758-2016; Richard Tilford: Cause Nos. 296-81936-2018; 296-81937-2018; and 296-81938-2018; Shelley Noel Carter

## 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.,** 2018 **of the** 380th

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

**PHILLIP MICHAEL CARTER, hereinafter "defendant"**

on or about and between the dates of July 1, 2015 and November 6, 2018, and before the presentment of this indictment, in Collin County, Texas, did then and there

knowingly acquire and maintain an interest in, possess, transfer, conduct, supervise, and facilitate transactions involving the proceeds of criminal activity, to wit: current money of the United States of America, in the aggregated amount of $300,000 or more; and said proceeds were generated from the commission of the offense of Theft of Property in the aggregated amount of $300,000 or more, a felony under the laws of the State of Texas; and the commission of fraud in connection with the sale and offer for sale of securities in the aggregated amount of $100,000 or more, a felony under the laws of the State of Texas; and the commission of Misapplication of Fiduciary Property in the aggregated amount of $300,000 or more, a felony under the laws of the State of Texas; and the commission of offering for sale and selling securities without being a registered 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, a felony under the laws of the State of Texas; and the commission of offering for sale and selling securities

issued after September 6, 1955, without having said security duly registered or granted a permit by the Securities Commissioner of the State of Texas, a felony under the laws of the State of Texas;

against the peace and dignity of the State.

FOREPERSON OF THE GRAND JURY

FILED

2018 NOV -6 PM 2:18

LYNNE FINLEY
DISTRICT CLERK
COLLIN COUNTY, TX
BY DEPUTY

Amapp

**DEFENDANT** Phillip Michael Carter PersonID: 153644, 2018-13921 **CHARGE** Misapp. of Fid. Property >$300K § 32.45

**ADDRESS** LKA: 4285 Cedar Bluff Lane, Frisco, Texas 75033 **CAUSE#** 296-83867-2018

**DESCRIPTION** W/M; **AGENCY/#** State Securities Board

**ARREST INFORMATION** GJR **Witness:** USSS Special Agent

**C/C** Bobby Eugene Guess: Cause Nos. 296-83755-2016; 296-83756-2016; 296-83757-2016 and 296-83758-2016; Richard Tilford: Cause Nos. 296-81936-2018; 296-81937-2018; and 296-81938-2018; Shelley Noel Carter

## 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.,** 2018 **of the** 380th **District Court of said county, in said court at said term, do present that**

**PHILLIP MICHAEL CARTER, hereinafter "defendant"**

on or about the dates listed below, and before the presentment of this indictment, in Collin County, Texas, did then and there, and pursuant to one scheme or continuing course of conduct, intentionally, knowingly, or recklessly misapply property, to wit: United States Currency, from the following owners and in the following amounts:

| DATE OF APPROPRIATION | OWNER | AMOUNT OF APPROPRIATION |
|---|---|---|
| 01/12/16 | THOMAS AND HEATHER BUCKLEY LIVING TRUST | $ 100,000.00 |
| 01/13/16 | THOMAS D. HALL | $ 37,500.00 |
| 01/13/16 | HUGH S. LEE | $ 48,000.00 |
| 01/13/16 | HUGH S. LEE | $ 64,000.00 |
| 01/13/16 | MARY F. LEE | $ 163,000.00 |
| 01/15/16 | MARY F. LEE | $ 25,000.00 |
| 01/20/16 | LARRY W. KLOPFENSTEIN | $ 170,500.00 |
| 01/20/16 | EILEEN SEYMOUR | $ 27,000.00 |
| 01/26/16 | STEVEN FOWLER | $ 10,500.00 |
| 01/29/16 | THOMAS BUCKLEY | $ 100,000.00 |
| 02/01/16 | DENA OR DENNI MERCER | $ 12,500.00 |
| 02/01/16 | RUDY MEYERS | $ 25,000.00 |
| 02/01/16 | PATRICIA A. WILSON | $ 130,000.00 |
| 02/16/16 | ANGELYN KAY JONES | $ 50,000.00 |

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| 02/16/16 | JACK G. OR MARIELLE D. PARKER | $ | 50,000.00 |
| 02/16/16 | ALRIC B. SIMON | $ | 50,000.00 |
| 02/18/16 | BOUNNIE T. RICH | $ | 100,000.00 |
| 02/19/16 | GERRY BRADFORD | $ | 152,500.00 |
| 02/19/16 | RICHARD J. RANSOPHER | $ | 87,000.00 |
| 02/22/16 | MOON JA MCLEAN | $ | 89,000.00 |
| 02/22/16 | RONALD J. SMITH | $ | 49,500.00 |
| 02/22/16 | PATRICIA WILSON | $ | 116,000.00 |
| 02/23/16 | FRANK K. PALMER | $ | 96,000.00 |
| 02/23/16 | MARY R. RANSOPHER | $ | 23,000.00 |
| 02/23/16 | KENNETH G. SCOTT | $ | 50,000.00 |
| 02/23/16 | DAVID F. WETER | $ | 50,000.00 |
| 02/24/16 | TERRY BLANKS | $ | 200,000.00 |
| 02/24/16 | NAOMI KINCER | $ | 104,500.00 |
| 02/26/16 | RON ANDERSON | $ | 100,000.00 |
| 02/26/16 | WILLIAM J. BETHEL | $ | 82,500.00 |
| 02/26/16 | LAWENCE OR VIVIAN DUENOW | $ | 18,000.00 |
| 02/26/16 | JASON C. FARWELL | $ | 50,000.00 |
| 02/26/16 | DANA R. KAYS | $ | 43,455.63 |
| 02/26/16 | BERNADINE OR DURWOOD K. LASSITER | $ | 150,000.00 |
| 02/26/16 | RED RIVER RUSTIC / DAVID WRIGHT | $ | 700,000.00 |
| 02/26/16 | WENDY PAMELA RICKS | $ | 50,000.00 |
| 03/01/16 | RONNIE DUNGAN | $ | 78,000.00 |
| 03/01/16 | DAVID DURBON | $ | 35,000.00 |
| 03/01/16 | WALLACE C. SCHMIDT | $ | 100,000.00 |
| 03/03/16 | LARRY W. KLOPFENSTEIN | $ | 109,500.00 |
| 03/11/16 | BERNARD & BEVERLY ADAMS | $ | 100,000.00 |
| 03/11/16 | MARY JANE GRAY | $ | 75,000.00 |
| 03/11/16 | ELYSE N. GREENSPAN | $ | 50,000.00 |
| 03/11/16 | MARY CASANDRA MITTEN | $ | 50,000.00 |
| 03/11/16 | WALTER PADON | $ | 100,000.00 |
| 03/11/16 | JERRY G. OR JUDITH SHIDAL | $ | 160,000.00 |
| 03/11/16 | JERRY SHIDAL | $ | 40,000.00 |
| 03/11/16 | TIM TRAMMELL | $ | 50,000.00 |
| 03/14/16 | ROYCE DAVID GRAY | $ | 88,500.00 |
| 03/15/16 | DONALD J. TJERNLUND | $ | 50,000.00 |
| 03/16/16 | WILLIAM FRANK RAUSCHUBER | $ | 200,500.00 |
| 03/17/16 | SARAH C. HUGGINS | $ | 50,000.00 |
| 03/17/16 | WILLIAM S. HUGGINS | $ | 50,000.00 |
| 03/17/16 | WILLIAM S. HUGGINS | $ | 50,000.00 |
| 03/17/16 | WILLIAM S. HUGGINS | $ | 50,000.00 |
| 03/17/16 | AROON KALAKUNJA | $ | 52,500.00 |
| 03/18/16 | WAYNE EDGERTON | $ | 100,000.00 |
| 03/21/16 | LAWRENCE DUENOW | $ | 20,000.00 |
| 03/21/16 | CAROL OR W. DANIEL HOWARD | $ | 50,000.00 |

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|---|---|---|---|
| 03/21/16 | DANA R. KAYS | $ | 82,000.00 |
| 03/21/16 | DONALD LYDIA OR KENNETH L. MAC | $ | 75,000.00 |
| 03/21/16 | DONALD LYDIA OR KENNETH L. MAC | $ | 25,000.00 |
| 03/21/16 | MONTGOMERY GRANTOR TRUST MARTHA J AND RYAN DUKE MONTGOMERY TRUSTEES | $ | 50,000.00 |
| 03/22/16 | ANTHONY RODRIQUEZ | $ | 116,000.00 |
| 03/22/16 | LOURDES RODRIQUEZ | $ | 69,000.00 |
| 03/23/16 | TIMOTHY W. MCDONALD | $ | 160,000.00 |
| 03/24/16 | LEON GAYLOR | $ | 150,000.00 |
| 03/29/16 | STEVEN JONES | $ | 120,000.00 |
| 03/30/16 | LENA DOBBS | $ | 85,000.00 |
| 03/31/16 | SHARON L. THORPE | $ | 44,000.00 |
| 03/31/16 | SHARON L. THORPE | $ | 71,500.00 |
| 04/01/16 | DIANE GRAY | $ | 92,000.00 |
| 04/01/16 | GALE GRAY | $ | 44,500.00 |
| 04/01/16 | WESLEY A. THORPE | $ | 25,000.00 |
| 04/01/16 | WESLEY A. THORPE | $ | 45,000.00 |
| 04/05/16 | LIONEL & JANICE STEYN | $ | 50,000.00 |
| 04/05/16 | HEATHER HUONG BUI WHITLATCH | $ | 75,000.00 |
| 04/06/16 | TERRY OR CAROL BAUMANN | $ | 50,000.00 |
| 04/06/16 | DAVID EDGEWORTH | $ | 50,000.00 |
| 04/06/16 | ROY G. FOX | $ | 100,000.00 |
| 04/06/16 | JERRY E. LUCKY | $ | 100,000.00 |
| 04/06/16 | KEN OR GLORIA MARTIN | $ | 200,000.00 |
| 04/06/16 | J. P. OR LINDA STILWELL | $ | 100,000.00 |
| 04/06/16 | CRAIG OR SANDY WILLIAMS | $ | 100,000.00 |
| 04/08/16 | SHEENA L. SNOW | $ | 75,000.00 |
| 04/12/16 | JANICE BERARDINELLI | $ | 54,500.00 |
| 04/12/16 | KEVIN L. HILL | $ | 55,000.00 |
| 04/12/16 | JOSEPH P. STILWELL | $ | 245,500.00 |
| 04/13/16 | ROBERT B. BUTLER | $ | 100,000.00 |
| 04/13/16 | TOM COKER | $ | 50,000.00 |
| 04/13/16 | EVERETT O. STOKES | $ | 370,680.82 |
| 04/14/16 | THOMAS M. HOGUE II | $ | 55,000.00 |
| 04/20/16 | DAVID B. JONES | $ | 69,500.00 |
| 04/20/16 | DAWN JONES | $ | 17,000.00 |
| 04/21/16 | A. KEITH HUNDLEY | $ | 15,000.00 |
| 04/21/16 | DAVID B. JONES | $ | 14,500.00 |
| 04/21/16 | DAWN M. JONES | $ | 14,000.00 |
| 04/21/16 | SIDNEY E. RAMSEY | $ | 145,232.09 |
| 04/21/16 | I. A. OR WILLIAM L. SCOTT | $ | 100,000.00 |
| 04/21/16 | RAMONA OR LAURA L. MARSH SPONHOWER | $ | 200,000.00 |

and said Defendant held said property as a fiduciary and as a person acting in a fiduciary capacity, but not as a commercial bailee, and said Defendant misapplied said property by dealing with said property contrary to an agreement under which the property was to be held, to wit: an agreement whereby said Defendant would invest each of the aforementioned persons' funds in an investment opportunity and said Defendant would distribute proceeds from said investment opportunity to provide each of the aforementioned persons a profit,

and said Defendant misapplied said property by dealing with said property contrary to the aforementioned agreement, to wit: for the use or benefit of said Defendant by paying Defendant's personal tax lien, in a manner that involved substantial risk of loss to the owners of said property,

and the aggregate value of the property misapplied was $300,000 or more,

against the peace and dignity of the State.

Carmel S Christensen
FOREPERSON OF THE GRAND JURY

FILED
2018 NOV -6 PM 2:17
LYNNE FINLEY
DISTRICT CLERK
COLVIN COUNTY, TX
BY DEPUTY

*unapp

**DEFENDANT** Phillip Michael Carter Person ID: 153644, 2018-13918 **CHARGE** Misapp. of Fid. Property >$300K § 32.45

**ADDRESS** LKA: 4285 Cedar Bluff Lane, Frisco, Texas 75033 **CAUSE#** 296-83868-2018

**DESCRIPTION** W/M; **AGENCY/#** State Securities Board

**ARREST INFORMATION** GJR **Witness:** USSS Special Agent

**C/C** Bobby Eugene Guess: Cause Nos. 296-83755-2016; 296-83756-2016; 296-83757-2016 and 296-83758-2016; Richard Tilford: Cause Nos. 296-81936-2018; 296-81937-2018; and 296-81938-2018; Shelley Noel Carter

## 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., 2018 of the 380th District Court of said county, in said court at said term, do present that**

**PHILLIP MICHAEL CARTER, hereinafter "defendant"**

on or about the dates listed below, and before the presentment of this indictment, in Collin County, Texas, did then and there, and pursuant to one scheme or continuing course of conduct, intentionally, knowingly, or recklessly misapply property, to wit: United States Currency, from the following owners and in the following amounts:

| DATE OF INVESTMENT | PERSON | AMOUNT OF INVESTMENT |
|---|---|---|
| 07/14/15 | BOBBY W. MC QUEEN | $ 50,000.00 |
| 08/06/15 | PHILLIP S. OR MARY HOKIT | $ 150,000.00 |
| 09/03/15 | W. XON / EMG ACCOUNT CROSSNOE | $ 100,000.00 |
| 09/03/15 | JERRY G. SHIDAL | $ 240,000.00 |
| 09/11/15 | DOUGLAS W. OR MOON JA MCLEAN | $ 1,587.90 |
| 09/11/15 | DOUGLAS W. OR MOON JA MCLEAN | $ 98,412.10 |
| 09/25/15 | PAULA AND JAMES FULLER CROSSNOE | $ 130,000.00 |
| 09/25/15 | XON OR PAULA J. CROSSNOE | $ 40,000.00 |
| 09/30/15 | HENRY W. BROOKS | $ 212,000.00 |
| 10/27/15 | HENRY W. BROOKS | $ 48,000.00 |
| 10/27/15 | DAVID DURBON | $ 50,000.00 |
| 11/18/15 | MARTIN B. ROUSTIO | $ 50,000.00 |
| 12/23/15 | WAYNE E. OR EDELTRAUT EDGERTON | $ 200,000.00 |
| 12/23/15 | EILEEN B. SEYMOUR OR BARBARA S. WOODRING | $ 23,000.00 |
| 12/29/15 | STEVEN EDGERTON | $ 100,000.00 |

| | | | |
|---|---|---|---|
| 12/30/15 | INGRID J. EDGERTON OR ADAM C. COUSINS | $ | 200,000.00 |
| 12/31/15 | DR. GLENDA W. BRADSTOCK | $ | 40,000.00 |
| 12/31/15 | DR. GLENDA W. BRADSTOCK | $ | 120,000.00 |
| 12/31/15 | DR. GLENDA W. BRADSTOCK | $ | 340,000.00 |
| 12/31/15 | RONALD LEHMAN | $ | 150,000.00 |
| 12/31/15 | CHARLES SIZEMORE / TRISTONIAN INVESTMENTS | $ | 50,000.00 |
| 01/20/16 | EILEEN SEYMOUR | $ | 27,000.00 |
| 02/01/16 | PATRICIA A. WILSON | $ | 130,000.00 |
| 02/16/16 | ALRIC B. SIMON | $ | 50,000.00 |
| 02/19/16 | GERRY BRADFORD | $ | 152,500.00 |
| 02/19/16 | RICHARD J. RANSOPHER | $ | 87,000.00 |
| 02/22/16 | LEAN MOON JA MC | $ | 89,000.00 |
| 02/22/16 | PATRICIA WILSON | $ | 116,000.00 |
| 02/23/16 | MARY R. RANSOPHER | $ | 23,000.00 |
| 02/24/16 | TERRY BLANKS | $ | 200,000.00 |
| 02/26/16 | RON ANDERSON | $ | 100,000.00 |
| 02/26/16 | DAVID/RED RIVER RUSTIC WRIGHT | $ | 700,000.00 |
| 03/01/16 | DAVID DURBON | $ | 35,000.00 |
| 03/11/16 | RUSSELL BERNARD & BEVERLY ADAMS | $ | 75,000.00 |
| 03/11/16 | MARY JANE GRAY | $ | 50,000.00 |
| 03/11/16 | ELYSE N. GREENSPAN | $ | 50,000.00 |
| 03/11/16 | MARY CASSANDRA MITTEN | $ | 160,000.00 |
| 03/14/16 | JERRY G. OR JUDITH SHIDAL | $ | 88,500.00 |
| 03/16/16 | ROYCE DAVID GRAY | $ | 200,500.00 |
| 03/17/16 | WILLIAM FRANK RAUSCHUBER | $ | 50,000.00 |
| 03/17/16 | SARAH C. HUGGINS | $ | 50,000.00 |
| 03/17/16 | WILLIAM S. HUGGINS | $ | 50,000.00 |
| 03/17/16 | WILLIAM S. HUGGINS | $ | 50,000.00 |
| 03/18/16 | WILLIAM S. HUGGINS | $ | 100,000.00 |
| 03/21/16 | WAYNE EDGERTON | $ | 50,000.00 |
| 03/22/16 | CAROL OR W. DANIEL HOWARD | $ | 116,000.00 |
| 03/23/16 | ANTHONY RODRIQUEZ | $ | 50,000.00 |
| 03/23/16 | JUDY HOOFMAN | $ | 160,000.00 |
| 03/24/16 | DONALD TIMOTHY W MC | $ | 150,000.00 |
| 04/06/16 | LEON GAYLOR | $ | 50,000.00 |
| 04/06/16 | DAVID EDGEWORTH | $ | 200,000.00 |
| 04/06/16 | KEN OR GLORIA MARTIN | $ | 100,000.00 |
| 04/06/16 | J. P. OR LINDA STILWELL | $ | 100,000.00 |
| 04/12/16 | CRAIG OR SANDY WILLIAMS | $ | 245,500.00 |
| 04/13/16 | JOSEPH P. STILWELL | $ | 100,000.00 |
| 04/13/16 | ROBERT B. BUTLER | $ | 50,000.00 |
| 04/14/16 | TOM COKER | $ | 55,000.00 |
| 04/21/16 | THOMAS M. HOGUE II | $ | 100,000.00 |
| 04/21/16 | PHILLIP S. OR MARY HOKIT | $ | 100,000.00 |
| 05/05/16 | I. A. OR WILLIAM L. SCOTT | $ | 40,000.00 |
| 05/06/16 | JOSEPH P STILWELL | $ | 100,000.00 |

| | | | |
|---|---|---|---|
| 05/12/16 | MARY HOKIT | $ | 19,000.00 |
| 05/12/16 | JAMES NEWTON KAY | $ | 255,000.00 |
| 05/17/16 | JAMES NEWTON KAY | $ | 80,000.00 |
| 05/31/16 | L. NEIL & CHERRI E. GOODMAN | $ | 250,000.00 |
| 05/31/16 | ANDREW OR SANDI ALLEN | $ | 713,000.00 |
| 06/03/16 | DOUGLAS MC LEAN | $ | 100,000.00 |
| 06/13/16 | LOYAL N GOODMAN | $ | 100,000.00 |
| 06/15/16 | DOUGLAS W. OR MOON JA MC LEAN | $ | 300,000.00 |
| 06/24/16 | PHILLIP S. OR MARY HOKIT | $ | 200,000.00 |
| 06/27/16 | PHILLIP HOKIT | $ | 200,000.00 |
| 06/28/16 | MARY HOKIT | $ | 101,500.00 |
| 07/01/16 | JOHN G BERCIER | $ | 200,000.00 |
| 07/01/16 | THOMAS M. OR CAROLINA P. BUIE | $ | 300,000.00 |
| 07/11/16 | MICHAEL GRISHAM / ROCKNCEDAR RANCH, L.P. | $ | 200,000.00 |
| 07/26/16 | CHARLES E TEAGUE | $ | 228,500.00 |
| 07/26/16 | CHARLES KNOTT | $ | 2,000,000.00 |
| 08/15/16 | WILLIAM A. MOORE / MOORE INVESTMENTS | $ | 175,000.00 |
| 08/15/16 | ANGEL OR ERIKA RUBALCAVA | $ | 21,925.87 |
| 08/15/16 | NAOMI (BARNEY) SCOTT | $ | 28,074.13 |
| 08/15/16 | NAOMI R. SCOTT | $ | 55,000.00 |
| 08/15/16 | LORI WILLIAMSON / NEW HOPE HOLDINGS | $ | 15,000.00 |
| 08/17/16 | REESE W. OR LORI E. WILLIAMSON | $ | 100,000.00 |
| 09/08/16 | MARY JANE GRAY | $ | 150,000.00 |
| 09/08/16 | WAYNE M. PERUN | $ | 134,278.69 |
| 09/15/16 | DWAYNE M. TUNNELL | $ | 100,000.00 |
| 09/15/16 | JOHN CHARLES OR CHRISTA R. HARTWIG | $ | 68,250.00 |
| 09/27/16 | PHILLIP S. OR MARY HOKIT | $ | 50,000.00 |
| 10/04/16 | JR. TOM B. OR MARY B. COKER | $ | 50,000.00 |
| 11/01/16 | PATRICIA A. WILSON | $ | 55,000.00 |
| 11/02/16 | DAVID DURBON | $ | 232,003.00 |
| 11/08/16 | HENRY W. BROOKS | $ | 50,000.00 |
| 11/09/16 | ELYSE N. GREENSPAN | $ | 50,000.00 |
| 11/14/16 | MICHAEL A. GREENSPAN | $ | 100,000.00 |
| 11/14/16 | JOEL KRONING | $ | 903,448.59 |
| 11/17/16 | ZANE WRIGHT | $ | 54,500.00 |
| 11/18/16 | MARTIN B. ROUSTIO | $ | 248,000.00 |
| 12/01/16 | SUZETTE T. JONES | $ | 43,576.00 |
| 12/02/16 | STEPHEN W. DODGE | $ | 250,476.00 |
| 12/06/16 | THOMAS E. WELCH | $ | 150,000.00 |
| 12/14/16 | WAYNE M. PERUN | $ | 50,000.00 |
| 12/14/16 | WILLIAM R. BENEFIELD JR. OR SYLVIA F. BENEFIELD | $ | 50,000.00 |
| 12/14/16 | SACHER L. DAWSON OR RITHA JOHNSON | $ | 20,000.00 |
| 12/14/16 | ROBIN LEE MURRAY OR TRICIA ANITA CRAWFORD | $ | 5,000.00 |
| 12/14/16 | RONNIE C. OR ROBIN L. MURRAY | $ | 60,000.00 |

| | | | |
|---|---|---|---|
| 12/14/16 | DAVID STROUD | $ | 50,000.00 |
| 12/19/16 | ROBERT TRAVIS | $ | 80,000.00 |
| 12/19/16 | PAUL GRIMM / EVERAFTER 1, LLC | $ | 60,000.00 |
| 12/19/16 | M. T. OR DEBRA HOPSON | $ | 50,000.00 |
| 12/21/16 | TIMOTHY J. OR STACY M. WOLLENBURG | $ | 52,320.00 |
| 12/21/16 | HENRY W. BROOKS | $ | 50,000.00 |
| 12/29/16 | MICHAEL D. OR CLIFTON DAN TURNER | $ | 20,000.00 |
| 12/29/16 | ADAM C. COUSINS OR INGRID EDGERTON | $ | 112,000.00 |
| 12/30/16 | STEVEN EDGERTON | $ | 224,000.00 |
| 01/04/17 | WAYNE E. EDGERTON | $ | 60,000.00 |
| 01/09/17 | CHARLES SIZEMORE / TRISTONIAN INVESTMENTS | $ | 112,000.00 |
| 01/25/17 | LOU OR PENNY DINARDO | $ | 141,700.00 |
| 01/31/17 | PATRICIA A. WILSON | $ | 52,000.00 |
| 01/31/17 | JAMES D. BRACE | $ | 100,500.00 |
| 01/31/17 | ROBERT BUTLER | $ | 50,450.00 |
| 01/31/17 | MICHAEL EVANS | $ | 26,134.00 |
| 01/31/17 | DANNA ROBERT LISOT | $ | 69,471.00 |
| 01/31/17 | CHARLES W. MC PHERSON | $ | 137,096.16 |
| 01/31/17 | TIMOTHY SHIDAL | $ | 150,545.00 |
| 02/09/17 | KERRY R. WARD | $ | 50,000.00 |
| 02/15/17 | ALRIC B. SMITH | $ | 100,000.00 |
| 02/15/17 | LOU OR PENNY DINARDO | $ | 100,000.00 |
| 02/15/17 | JOEL KRONING | $ | 4,000.00 |
| 02/25/17 | CHARLES SIZEMORE / TRISTONIAN INVESTMENTS | $ | 25,070.00 |
| 03/02/17 | EILEEN B. SEYMOUR | $ | 168,000.00 |
| 03/18/17 | RONALD LEHMAN | $ | 126,140.00 |
| 04/20/17 | ANTHONY RODRIQUEZ | $ | 109,000.00 |

and said Defendant held said property as a fiduciary and as a person acting in a fiduciary capacity, but not as a commercial bailee, and said Defendant misapplied said property by dealing with said property contrary to an agreement under which the property was to be held, to wit: an agreement whereby said Defendant would invest each of the aforementioned persons' funds in an investment opportunity and said Defendant would distribute proceeds from said investment opportunity to provide each of the aforementioned persons a profit,

and said Defendant misapplied said property by dealing with said property contrary to the aforementioned agreement, to wit: by borrowing $32,000,000.00 from CPIF Lending, LLC, c/o Columbia Pacific Advisors, ("CP"), and assigning CP a first lien position on the McKinney Executive Suites at Crescent Parc and the Frisco Wade Crossing properties, in a manner that involved substantial risk of loss to the owners of said property,

and the aggregate value of the property misapplied was $300,000 or more,

against the peace and dignity of the State.

Charmel B Christensen
FOREPERSON OF THE GRAND JURY

FILED

2018 NOV -6 PM 2:17

LYNNE FINLEY
DISTRICT CLERK
COLLIN COUNTY, TX
BY _____ DEPUTY

*Unapp

**DEFENDANT** **Phillip Michael Carter** Person ID: 153644, 2018-13909 **CHARGE** **Sale of Unregistered Securities Article 581 Sec. 29B Texas Securities Act**

**ADDRESS** **LKA: 4285 Cedar Bluff Lane, Frisco, Texas 75033** **CAUSE#** 296-83869-2018

**DESCRIPTION** **W/M;** **AGENCY/#** **State Securities Board**

**ARREST INFORMATION** **GJR** **Witness: USSS Special Agent**

**C/C** **Bobby Eugene Guess: Cause Nos. 296-83755-2016; 296-83756-2016; 296-83757-2016 and 296-83758-2016; Richard Tilford: Cause Nos. 296-81936-2018; 296-81937-2018; and 296-81938-2018; Shelley Noel Carter**

## 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., 2018 of the 380th District Court of said county, in said court at said term, do present that**

**PHILLIP MICHAEL CARTER, hereinafter "defendant"**

on or about 2/9/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Alric Simon an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

### COUNT TWO

on or about 11/21/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Carolyn Hornstein an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

### COUNT THREE

on or about 1/31/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Charles McPherson an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital

Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FOUR**

on or about 11/9/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Christa Hartwig an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FIVE**

on or about 1/31/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Danna Lisot an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT SIX**

on or about 11/1/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale David Durbon an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT SEVEN**

on or about 9/10/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Doug & Moon Ja McLean an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT EIGHT**

on or about 9/8/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Dwayne Tunnel an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT NINE**

on or about 2/25/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Eileen & Barbara Woodring Seymour an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TEN**

on or about 12/19/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Elyse Greenspan an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT ELEVEN**

on or about 12/14/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Frank David Stroud an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWELEVE**

on or about 11/2/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Henry Brooks an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of

indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTEEN**

on or about 12/29/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Ingrid Edgerton an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FOURTEEN**

on or about 12/14/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale James D. Brace an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FIFTEEN**

on or about 9/13/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Jerry & Judith Shidal an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT SIXTEEN**

on or about 1/31/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Kerry Ward an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT SEVENTEEN

on or about 12/14/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Lou Dinardo an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT EIGHTEEN

on or about 11/17/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Martin Roustio an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT NINETEEN

on or about 12/1/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Michael Evans an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT TWENTY

on or about 11/8/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Michael Greenspan an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT TWENTY-ONE

on or about 9/15/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale MT Hopson an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of

indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-TWO**

on or about 10/4/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Pat WIlson an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-THREE**

on or about 1/25/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Patricia Wilson an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-FOUR**

on or about 1/31/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Paul Grimm / Everafter I, LLC an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-FIVE**

on or about 8/4/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Phillip & Mary Hokit an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT TWENTY-SIX

on or about 9/15/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Phillip & Mary Hokit an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT TWENTY-SEVEN

on or about 9/27/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Ray Reed an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT TWENTY-EIGHT

on or about 4/20/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Robert Butler an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT TWENTY-NINE

on or about 12/14/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Robert Travis an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT THIRTY

on or about 12/14/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Robin Murray an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of

indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-ONE**

on or about 9/27/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Sacher Dawson an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-TWO**

on or about 3/2/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Sharon & Ronald Lehman an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-THREE**

on or about 10/27/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Stephen Dodge an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-FOUR**

on or about 12/29/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Steven Edgerton an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-FIVE**

on or about 12/19/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Suzette Jones an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-SIX**

on or about 12/2/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Thomas Welch an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-SEVEN**

on or about 12/19/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Timothy & Stacy Wollenburg an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-EIGHT**

on or about 1/31/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Timothy Shidal an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-NINE**

on or about 1/31/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Tom and Mary Coker an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of

indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FORTY**

on or about 2/15/2017, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Tristonian Investments / Charles Sizemore an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FORTY-ONE**

on or about 12/30/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Wayne Edgerton an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FORTY-TWO**

on or about 9/8/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Wayne Perun an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FORTY-THREE**

on or about 12/19/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale William Benefield an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FORTY-FOUR**

on or about 11/14/2016, and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale Zane Wright an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract and evidences of indebtedness; and defendant offered for sale and sold said security issued after September 6, 1955, without having said security being duly registered or granted a permit by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided;

against the peace and dignity of the State.

FOREPERSON OF THE GRAND JURY

FILED

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LYNNE FINLEY
DISTRICT CLERK
COLLIN COUNTY, TX
BY _____ DEPUTY

Amapp

**DEFENDANT** **Phillip Michael Carter** Person ID: 153644, 2018-13907

**CHARGE** **Sale of Securities by Unregistered Agent or Dealer Article 581 Sec. 29A Texas Securities Act**

**ADDRESS** **LKA: 4285 Cedar Bluff Lane, Frisco, Texas 75033** **CAUSE#** 296-83870-2018

**DESCRIPTION** **W/M;** **AGENCY/#** **State Securities Board**

**ARREST INFORMATION** **GJR** **W tness: USSS Special Agent**

**C/C** **Bobby Eugene Guess: Cause Nos. 296-83755-2016; 296-83756-2016; 296-83757-2016 and 296-83758-2016; Richard Tilford: Cause Nos. 296-81936-2018; 296-81937-2018; and 296-81938-2018; Shelley Noel Carter**

## 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., 2018 of the 380th District Court of said county, in said court at said term, do present that**

**PHILLIP MICHAEL CARTER, hereinafter "defendant"**

on or about 2/9/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Alric Simon an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

### COUNT TWO

on or about 11/21/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Carolyn Hornstein an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

### COUNT THREE

on or about 1/31/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Charles McPherson an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital

Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FOUR**

on or about 11/9/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Christa Hartwig an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FIVE**

on or about 1/31/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Danna Lisot an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT SIX**

on or about 11/1/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to David Durbon an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT SEVEN**

on or about 9/10/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Doug & Moon Ja McLean an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT EIGHT**

on or about 9/8/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Dwayne Tunnel an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT NINE**

on or about 2/25/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Eileen & Barbara Woodring Seymour an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TEN**

on or about 12/19/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Elyse Greenspan an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT ELEVEN**

on or about 12/14/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Frank David Stroud an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWELEVE**

on or about 11/2/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Henry Brooks an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered

as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTEEN**

on or about 12/29/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Ingrid Edgerton an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FOURTEEN**

on or about 12/14/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to James D. Brace an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FIFTEEN**

on or about 9/13/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Jerry & Judith Shidal an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT SIXTEEN**

on or about 1/31/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Kerry Ward an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT SEVENTEEN**

on or about 12/14/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Lou Dinardo an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital

Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT EIGHTEEN**

on or about 11/17/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Martin Roustio an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT NINETEEN**

on or about 12/1/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Michael Evans an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY**

on or about 11/8/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Michael Greenspan an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-ONE**

on or about 9/15/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to MT Hopson an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-TWO**

on or about 10/4/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Pat WIlson an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-THREE**

on or about 1/25/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Patricia Wilson an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-FOUR**

on or about 1/31/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Paul Grimm / Everafter I, LLC an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-FIVE**

on or about 8/4/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Phillip & Mary Hokit an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-SIX**

on or about 9/15/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Phillip & Mary Hokit an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered

as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-SEVEN**

on or about 9/27/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Ray Reed an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-EIGHT**

on or about 4/20/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Robert Butler an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT TWENTY-NINE**

on or about 12/14/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Robert Travis an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY**

on or about 12/14/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Robin Murray an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-ONE**

on or about 9/27/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Sacher Dawson an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital

Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-TWO**

on or about 3/2/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Sharon & Ronald Lehman an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-THREE**

on or about 10/27/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Stephen Dodge an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-FOUR**

on or about 12/29/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Steven Edgerton an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT THIRTY-FIVE**

on or about 12/19/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Suzette Jones an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT THIRTY-SIX

on or about 12/2/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Thomas Welch an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT THIRTY-SEVEN

on or about 12/19/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Timothy & Stacy Wollenburg an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT THIRTY-EIGHT

on or about 1/31/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Timothy Shidal an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT THIRTY-NINE

on or about 1/31/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Tom and Mary Coker an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

## COUNT FORTY

on or about 2/15/2017 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Tristonian Investments / Charles Sizemore an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FORTY-ONE**

on or about 12/30/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Wayne Edgerton an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FORTY-TWO**

on or about 9/8/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Wayne Perun an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FORTY-THREE**

on or about 12/19/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to William Benefield an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided; and

**COUNT FORTY-FOUR**

on or about 11/14/2016 and before the presentment of this indictment, in Collin County, Texas, did then and there knowingly sell and offer for sale to Zane Wright an investment in Texas Cash Cow, LLC, Texas Cash Cow Investments, LLC, North Forty Development, LLC, North Forty Development Capital Account, said investment being a security, to wit: a note, an investment contract, and an evidence of indebtedness, and defendant offered for sale and sold said securities without having been duly registered as a securities dealer or agent by and with the Securities Commissioner of Texas, as in The Securities Act of the State of Texas provided;

against the peace and dignity of the State.

Charmel S. Christensen

FOREPERSON OF THE GRAND JURY

FILED

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LYNNE FINLEY
DISTRICT CLERK
COLLIN COUNTY, TX
BY _____ DEPUTY