

SID NO. 516675  
INCIDENT NO. 1505201336  
FBI NO.  
DPS NO.  
D.O.B.: 08/01/1969  
DATE OF ARREST:  
ARRESTING AGENCY:  
BOND: 50,000.<sup>00</sup> BY: \_\_\_\_\_

No. 15- CR-1905-H

COURT: 347TH

**THE STATE OF TEXAS VS. KENNETH WAYNE GRAVES**

CHARGE: MISAPPLICATION OF FIDUCIARY PROPERTY  
STATUTE: TEXAS PENAL CODE SECTION 32.45  
DEGREE: SECOND

**IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:**

The duly organized Grand Jury of Nueces County, Texas, presents in the District Court of Nueces County, Texas, that

**KENNETH WAYNE GRAVES**, defendant,

on or about and between the dates of December 11, 2013 and May 5, 2014, and before presentment of this indictment, in Nueces County, Texas, did then and there intentionally, knowingly and recklessly misapply property the Defendant held as a fiduciary, namely, money of the aggregate value of more than \$100,000.00 but less than \$200,000.00 by dealing with the property in a manner that involved a substantial risk of loss to the owners of said property as listed below;

OWNER	DATE	AMOUNT
Kinitra Brooks	01/06/14	\$ 326.72
Kinitra Brooks	01/21/14	\$ 110.43
Kinitra Brooks	02/03/14	\$ 107.24
Kinitra Brooks	02/14/14	\$ 222.73
Kinitra Brooks	02/24/14	\$ 223.51
Kinitra Brooks	03/03/14	\$ 337.87
Kinitra Brooks	03/10/14	\$ 228.09
Kinitra Brooks	03/13/14	\$ 677.38
Sherrye Garrett	12/11/13	\$ 263.05
Sherrye Garrett	01/02/14	\$ 536.20
Sherrye Garrett	01/21/14	\$ 269.02
Sherrye Garrett	01/27/14	\$ 264.18
Sherrye Garrett	02/03/14	\$ 263.31
Sherrye Garrett	02/14/14	\$ 539.95
Sherrye Garrett	02/24/14	\$ 541.32
Sherrye Garrett	03/03/14	\$ 816.97
Sherrye Garrett	03/10/14	\$ 548.16
Sherrye Garrett	03/13/14	\$ 1,631.56
Sherrye Garrett	03/25/14	\$ 1,603.56
Sherrye Garrett	03/31/14	\$ 3,173.94
Sherrye Garrett	04/16/14	\$ 3,111.56
Sherrye Garrett	04/17/14	\$ 3,080.34
Sherrye Garrett	04/21/14	\$ 3,031.32
Sherrye Garrett	04/22/14	\$ 2,986.21
Sherrye Garrett	04/23/14	\$ 2,947.63
Sherrye Garrett	04/24/14	\$ 2,889.97
Sherrye Garrett	04/25/14	\$ 2,840.94
Sherrye Garrett	04/28/14	\$ 2,771.69
Lon Sieger	12/11/13	\$ 697.00
Lon Sieger	01/02/14	\$ 282.42
Lon Sieger	01/21/14	\$ 140.93
Lon Sieger	01/27/14	\$ 137.88
Lon Sieger	02/03/14	\$ 137.39
Lon Sieger	02/14/14	\$ 281.10
Lon Sieger	02/24/14	\$ 281.80
Lon Sieger	03/03/14	\$ 425.90
Lon Sieger	03/10/14	\$ 283.82
Lon Sieger	03/13/14	\$ 844.10
Lon Sieger	03/25/14	\$ 826.41

Lon Sieger	03/31/14	\$ 1,636.63
Lon Sieger	04/29/14	\$ 1,606.43
Lon Sieger	05/01/14	\$ 1,587.21
Sarah Sutton	12/11/13	\$ 272.15
Sarah Sutton	12/11/13	\$ 92.88
Sarah Sutton	01/02/14	\$ 47.31
Sarah Sutton	01/02/14	\$ 6.50
Sarah Sutton	01/02/14	\$ 137.96
Sarah Sutton	01/21/14	\$ 47.33
Sarah Sutton	01/21/14	\$ 6.48
Sarah Sutton	01/21/14	\$ 138.44
Sarah Sutton	02/03/14	\$ 136.28
Sarah Sutton	02/03/14	\$ 46.31
Sarah Sutton	02/03/14	\$ 6.38
Sarah Sutton	02/14/14	\$ 94.00
Sarah Sutton	02/14/14	\$ 12.92
Sarah Sutton	02/14/14	\$ 276.24
Sarah Sutton	02/24/14	\$ 277.11
Sarah Sutton	02/24/14	\$ 94.39
Sarah Sutton	02/24/14	\$ 12.93
Sarah Sutton	03/03/14	\$ 19.44
Sarah Sutton	03/03/14	\$ 416.69
Sarah Sutton	03/03/14	\$ 122.44
Sarah Sutton	03/10/14	\$ 95.17
Sarah Sutton	03/10/14	\$ 12.94
Sarah Sutton	03/10/14	\$ 277.44
Sarah Sutton	03/13/14	\$ 282.62
Sarah Sutton	03/13/14	\$ 38.56
Sarah Sutton	03/13/14	\$ 825.30
Sarah Sutton	03/25/14	\$ 277.79
Sarah Sutton	03/25/14	\$ 38.01
Sarah Sutton	03/25/14	\$ 810.47
Sarah Sutton	04/08/14	\$ 534.56
Sarah Sutton	04/08/14	\$ 73.79
Sarah Sutton	04/08/14	\$ 1,560.58
Sarah Sutton	04/09/14	\$ 72.44
Sarah Sutton	04/09/14	\$ 525.63
Sarah Sutton	04/09/14	\$ 1,532.58
Sarah Sutton	04/10/14	\$ 519.49
Sarah Sutton	04/10/14	\$ 71.35
Sarah Sutton	04/10/14	\$ 1,512.59
Sarah Sutton	04/11/14	\$ 501.32

Sarah Sutton	04/11/14	\$ 69.33
Sarah Sutton	04/11/14	\$ 1,464.95
Sarah Sutton	04/14/14	\$ 487.65
Sarah Sutton	04/14/14	\$ 67.67
Sarah Sutton	04/14/14	\$ 1,428.35
Sarah Sutton	04/15/14	\$ 479.71
Sarah Sutton	04/15/14	\$ 66.48
Sarah Sutton	04/15/14	\$ 1,403.40
Sarah Sutton	04/16/14	\$ 471.23
Sarah Sutton	04/16/14	\$ 65.23
Sarah Sutton	04/16/14	\$ 1,377.61
Sarah Sutton	04/17/14	\$ 1,357.22
Sarah Sutton	04/17/14	\$ 465.12
Sarah Sutton	04/17/14	\$ 64.20
Sarah Sutton	04/21/14	\$ 456.76
Sarah Sutton	04/21/14	\$ 62.98
Sarah Sutton	04/21/14	\$ 1,331.70
Sarah Sutton	04/22/14	\$ 448.70
Sarah Sutton	04/22/14	\$ 61.80
Sarah Sutton	04/22/14	\$ 1,307.40
Sarah Sutton	04/23/14	\$ 441.78
Sarah Sutton	04/23/14	\$ 60.70
Sarah Sutton	04/23/14	\$ 1,285.33
Sarah Sutton	04/24/14	\$ 59.42
Sarah Sutton	04/24/14	\$ 1,258.20
Sarah Sutton	04/24/14	\$ 431.91
Sarah Sutton	04/25/14	\$ 423.21
Sarah Sutton	04/25/14	\$ 58.25
Sarah Sutton	04/25/14	\$ 1,233.05
Sarah Sutton	04/28/14	\$ 1,203.59
Sarah Sutton	04/28/14	\$ 411.70
Sarah Sutton	04/28/14	\$ 40.00
Sarah Sutton	04/29/14	\$ 1,179.58
Sarah Sutton	04/29/14	\$ 403.42
Sarah Sutton	04/29/14	\$ 35.00
Sarah Sutton	04/30/14	\$ 1,158.15
Sarah Sutton	04/30/14	\$ 396.58
Sarah Sutton	04/30/14	\$ 40.00
Sarah Sutton	05/01/14	\$ 1,136.29
Sarah Sutton	05/01/14	\$ 389.67
Sarah Sutton	05/01/14	\$ 45.00
Sarah Sutton	05/02/14	\$ 1,114.06

Sarah Sutton	05/02/14	\$ 382.24
Sarah Sutton	05/02/14	\$ 53.96
Sarah Sutton	05/05/14	\$ 1,091.82
Sarah Sutton	05/05/14	\$ 374.68
Sarah Sutton	05/05/14	\$ 52.88
James Weber	12/11/13	\$ 588.54
James Weber	01/02/14	\$ 200.33
James Weber	01/21/14	\$ 200.22
James Weber	01/27/14	\$ 195.63
James Weber	02/03/14	\$ 194.97
James Weber	02/14/14	\$ 400.08
James Weber	02/24/14	\$ 401.94
James Weber	03/03/14	\$ 607.80
James Weber	03/10/14	\$ 405.37
James Weber	03/13/14	\$ 1,203.86
James Weber	03/25/14	\$ 1,179.03
James Weber	04/08/14	\$ 2,280.47
James Weber	04/09/14	\$ 2,249.69
James Weber	04/10/14	\$ 2,235.72
James Weber	04/11/14	\$ 2,461.09
James Weber	04/14/14	\$ 2,089.68
James Weber	04/15/14	\$ 2,063.72
James Weber	04/16/14	\$ 2,036.41
James Weber	04/17/14	\$ 2,022.47
James Weber	04/21/14	\$ 1,990.29
James Weber	04/22/14	\$ 1,961.79
James Weber	04/23/14	\$ 1,939.80
James Weber	04/24/14	\$ 1,901.12
James Weber	04/25/14	\$ 1,868.10
James Weber	04/28/14	\$ 1,815.19
James Weber	04/29/14	\$ 1,780.67
James Weber	04/30/14	\$ 1,760.18
James Weber	05/01/14	\$ 1,985.36
James Weber	05/02/14	\$ 1,949.14
James Weber	05/05/14	\$ 1,911.16
	TOTAL	\$128,918.46

And all of said amounts were obtained pursuant to one scheme and continuing course of conduct, and the aggregate amount that was obtained was \$100,000.00 or more but less than \$200,000.00;

against the peace and dignity of the State.

*Randy McPherson*  
FOREMAN OF THE GRAND JURY

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SID NO. 516675  
INCIDENT NO. 1505201340  
FBI NO.  
DPS NO.  
D.O.B.: 08/01/1969  
DATE OF ARREST:  
ARRESTING AGENCY:  
BOND: 50,000.00 BY: \_\_\_\_\_

NO. 15-CR-1906-H  
COURT: 247TH

**THE STATE OF TEXAS VS. KENNETH WAYNE GRAVES**

CHARGE: SECURING EXECUTION OF A DOCUMENT BY DECEPTION  
STATUTE: TEXAS PENAL CODE SECTION 32.46  
DEGREE: FIRST

**IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:**

The duly organized Grand Jury of Nueces County, Texas, presents in the District Court of Nueces County, Texas, that

**KENNETH WAYNE GRAVES**, defendant,

on or about the dates listed below, and before presentment of this indictment, in Nueces County, Texas, did then and there with intent to defraud and harm the persons listed below, by deception, to wit: said Defendant created and confirmed by words and conduct a false impression of fact that was likely to affect the judgment of said owners in the transactions and that the Defendant did not believe to be true; and said Defendant failed to correct false impressions of fact that were likely to affect the judgment of said owners in the transactions, that the Defendant previously created and

confirmed by words and conduct, and that said Defendant did not at the time believe to be true;

On or about March 7, 2012, caused Evelyn J. Williams-Wilcox to sign and execute a document, to wit: a check in the amount of \$101,554.00 made payable to Kenneth W. Graves, which affected the property and pecuniary interest of the said Evelyn J. Williams-Wilcox;

And that on or about March 12, 2012, caused Donna C. Rushing to sign and execute a document, to wit: a check in the amount of \$128,944.92 made payable to Kenneth Graves, which affected the property and pecuniary interest of the said Donna C. Rushing;

And that on or about March 12, 2012, caused Robert A. Rushing to sign and execute a document, to wit: a check in the amount of \$20,074.03 made payable to Kenneth Graves, which affected the property and pecuniary interest of the said Robert A. Rushing;

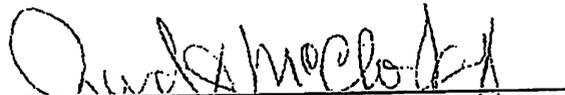
And that on or about April 19, 2012, caused Mary L. Lane to sign and execute a document, to wit: a check in the amount of \$50,000.00 made payable to Kenneth Graves, Warren Financial Services which affected the property and pecuniary interest of the said Mary L. Lane;

And that on or about May 23, 2012, caused Aunella Coulthirst to sign and execute a document, to wit: a check in the amount of \$70,000.00 made payable to Kenneth Graves / Warren Financial Services, which affected the property and pecuniary interest of the said Aunella Coulthirst;

And that on or about August 16, 2012, caused Samuel Lee Deornellas to sign and execute a document, to wit: a check in the amount of \$50,000.00 made payable to Warren Financial Services, which affected the property and pecuniary interest of the said Samuel Lee Deornellas;

And all of said amounts were obtained pursuant to one scheme and continuing course of conduct, and the aggregate amount that was obtained was \$200,000.00 or more;

against the peace and dignity of the State.

  
FOREMAN OF THE GRAND JURY

SEARCHED  
INDEXED  
SERIALIZED  
FILED

SID NO. 516675  
INCIDENT NO: 1505201339  
FBI NO.  
DPS NO.  
D.O.B.: 08/01/1969  
DATE OF ARREST:  
ARRESTING AGENCY:  
BOND: 50,000.00 BY: \_\_\_\_\_

15-  
NO. CR-1907-H

COURT: 347TH

**THE STATE OF TEXAS VS. KENNETH WAYNE GRAVES**

CHARGE: FRAUD IN THE SALE OR OFFER FOR SALE OF A SECURITY  
STATUTE: TEXAS SECURITIES ACT SECTION 29.C  
DEGREE: FIRST

**IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:**

The duly organized Grand Jury of Nueces County, Texas, presents in the District  
Court of Nueces County, Texas, that

**KENNETH WAYNE GRAVES**, defendant,

on or about the dates listed below, and before the presentment of this indictment, in Nueces  
County, Texas, did then and there, sell and offer for sale Agreements issued by Kenneth W.  
Graves and/or Warren Financial Services, LLC; being securities, to wit: investment contracts  
and evidence of indebtedness to each of the persons listed below, and in the following  
amounts:

PURCHASER	DATE OF TRANSACTION	AMOUNT
EVELYN WILLIAMS- WILCOX	03/07/2012	\$101,554.00
DOROTHY RUSHING	03/12/2012	\$128,944.92

ROBERT RUSHING	03/12/2012	\$20,074.03
MARY & WILLIAM LANE	04/19/2012	\$50,000.00
AUNELLA COULTHRIST	05/23/2012	\$70,000.00
SAM DEORELLAS	08/16/2012	\$50,000.00

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

PARAGRAPH ONE

Intentionally failing to disclose that Defendant was under investigation by the Financial Industry Regulatory Authority (FINRA) in connection with his employment at a previous firm, First Command Financial Planning, Inc.; said information being a material fact; and

PARAGRAPH TWO

Intentionally failing to disclose that on or about March 5, 2012, Defendant consented to the Financial Industry Regulatory Authority's imposition of a six month suspension from association with any FINRA member firm in any capacity, and the imposition of a \$15,000 fine payable at the end of the suspension upon re-association with any member firm; said information being a material fact; and

PARAGRAPH THREE

Intentionally failing to disclose the true financial condition of Warren Financial Services and the personal financial condition of Kenneth W. Graves, said information being a material fact; and

PARAGRAPH FOUR

Intentionally failing to disclose that on or about December 1, 2011, a Default Judgment in the amount of \$5,896.36, was entered against Defendant in favor of Citibank, N.A., in County Court of Law No. 4 of Nueces County, Texas, Cause No. 2011CCV-61892-4, styled *Citibank, N.A. v. Kenneth W. Graves*; said information being a material fact; and

PARAGRAPH FIVE

Intentionally failing to disclose that on or about January 20, 2012, a Default Judgment in the amount of \$15,840.86, was entered against Defendant in favor of Wells Fargo Bank, N.A., in the 319<sup>th</sup> Judicial District of Nueces County, Texas, Cause No. 2011DCV-4354-G, styled *Wells Fargo Bank, N.A. v. Kenneth W. Graves*; said information being a material fact; and

PARAGRAPH SIX

Intentionally failing to disclose that funds invested would be used for purposes other than those intended; said information being a material fact; and

PARAGRAPH SEVEN

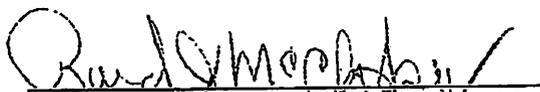
Intentionally failing to disclose that previous investor funds had not been used as promised, said information being a material fact; and

PARAGRAPH EIGHT

Intentionally failing to disclose that a large portion of client accounts at Warren Financial Services, LLC had already been sold to another firm, greatly reducing the amount of accounts from which Warren Financial Services, LLC could collect management fees; said information being a material fact; and

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

against the peace and dignity of the State.

  
FOREMAN OF THE GRAND JURY

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SID NO. 516675  
INCIDENT NO. 1505201338  
FBI NO.  
DPS NO.  
D.O.B.: 08/01/1969  
DATE OF ARREST:  
ARRESTING AGENCY:  
BOND: 50,000.00 BY: \_\_\_\_\_

No. 15-CR-1908-H

COURT: 347 TH

**THE STATE OF TEXAS VS. KENNETH WAYNE GRAVES**

CHARGE: MONEY LAUNDERING  
STATUTE: TEXAS PENAL CODE SECTION 34.02  
DEGREE: FIRST

**IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:**

The duly organized Grand Jury of Nueces County, Texas, presents in the District Court of Nueces County, Texas, that

**KENNETH WAYNE GRAVES**, defendant,

on or about and between the dates of March 7, 2012 and June 30, 2014, in Nueces County, Texas, did then and there knowingly acquire and maintain an interest in, possess and transfer the proceeds of criminal activity, to wit: current money of the United States of America, in the aggregated amount of two hundred thousand dollars (\$200,000.00) or more; and said proceeds were generated from the commission of the offense of fraud in connection with the sale or offer for sale of securities in the aggregated amount of \$100,000.00 or more, a felony under the laws of the State of Texas; and the commission of the offense of Securing Execution of Documents by

Deception in the aggregated amount of \$200,000.00 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 \$100,000.00 or more, a felony under the laws of the State of Texas;

against the peace and dignity of the State.

*David S. McPherson*  
FOREMAN OF THE GRAND JURY

2016-01-15  
Municipal