

FILED FOR RECORD

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HEATHER H. KELLAR
DISTRICT CLERK-COMAL COUNTY

BY MG

TEXAS STATE SECURITIES BOARD

RONALD ERIK LEWIS
DOB: 03/29/1954 DL: TX-07051074
CJIS CODE: 23990013; 26990154; 26990120;

§31.03(e)(7) FIRST DEGREE FELONY
§34.02 (e)(4) FIRST DEGREE FELONY
§581-29(C)(1)(c) VERNON'S CIVIL STATUTE - FIRST DEGREE FELONY

WITNESS: DANIEL PALMITIER

CR2016- 350

G/J DATE: MAY 11th, 2016

THE STATE OF TEXAS VS. RONALD ERIK LEWIS

CHARGE:

COUNT I: THEFT OF PROPERTY AGGREGATE
VALUE > \$200,000

BOND \$ 15,000

COUNT II: MONEY LAUNDERING > \$200,000

BOND \$ 15,000

COUNT III: FRAUDULENT SALE OF SECURITIES > \$100,000

BOND \$ 15,000

COURT: 207TH JUDICIAL DISTRICT

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

COUNT I

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, did then and there pursuant to one scheme and continuing course of conduct, unlawfully appropriate, by acquiring or otherwise exercising control over property, to-wit: United States currency, from Horace McMahon, Rebecca McMahon, Joe Fields, Louise Fields, and Robert Freehill, the owner thereof, without the effective consent of the owner, with intent to deprive the owner of the property, and the aggregated value of the property appropriated was \$200,000 or more.

COUNT II
PARAGRAPH I

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, during a continuing course of conduct or activity related to one scheme or, whether from the same or several sources, did then and there knowingly acquire or maintain an interest in, conceal, possess, transfer, or transport the proceeds of criminal activity, to-wit: theft of property in an amount greater than \$200,000, a felony of the first degree under the laws of the State of Texas, and the value of said funds was \$200,000 or more.

PARAGRAPH II

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, during a continuing course of conduct or activity related to one scheme or, whether from the same or several sources, did then and there knowingly acquire or maintain an interest in, conceal, possess, transfer, or transport the proceeds of criminal activity, to-wit: the commission of fraud in connection with the sale and offer for sale of securities in an amount of \$100,000 or more, a felony of the first degree under the laws of the State of Texas, and the value of said funds was \$100,000 or more.

COUNT III
PARAGRAPH I

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, beginning on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, did then and there directly and through agents, sell and offer for sale interests and/or shares in StealthWealth, Inc., the S & P 500 Account, the Nasdaq 100 Account, the NAZDAQ 100 Account, the DOW 30 Account, the Russell 2000 Account, and/or the EURO/US \$ Account, hereinafter referred to as the "StealthWealth Program," being securities, to wit: stocks, investment contracts, and evidences of indebtedness, to Horace McMahon, Rebecca McMahon, Joe Fields, Louise Fields, and Robert Freehill, and the said Defendant did commit fraud in connection with the sales and offers for sale of said securities by knowingly and intentionally representing funds provided by investors were being used solely for the purpose of buying and/or selling futures contracts, said information being misrepresentations of relevant facts;

PARAGRAPH II

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, beginning on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, did then and there directly and through agents, sell and offer for sale interests and/or shares in StealthWealth, Inc., the S & P 500 Account, the Nasdaq 100 Account, the NAZDAQ 100 Account, the DOW 30 Account, the Russell 2000 Account, and/or the EURO/US \$ Account, hereinafter referred to as the "StealthWealth Program," being securities, to wit: stocks, investment contracts, and evidences of indebtedness, to Horace McMahon, Rebecca McMahon, Joe Fields, Louise Fields, and Robert Freehill, and the said Defendant did commit fraud in connection with the sales and offers for sale of said securities by intentionally failing to disclose funds invested by investors in the StealthWealth Program were used for purposes other than buying and/or selling futures contracts, said information being a material fact;

PARAGRAPH III

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, beginning on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, did then and there directly and through agents, sell and offer for sale interests and/or shares in StealthWealth, Inc., the S & P 500 Account, the Nasdaq 100 Account, the NAZDAQ 100 Account, the DOW 30 Account, the Russell 2000 Account, and/or the EURO/US \$ Account, hereinafter referred to as the "StealthWealth Program," being securities, to wit: stocks, investment contracts, and evidences of indebtedness, to Horace McMahon, Rebecca McMahon, Joe Fields, Louise Fields, and Robert Freehill, and the said Defendant did commit fraud in connection with the sales and offers for sale of said securities by intentionally failing to disclose previous investors' funds invested in the StealthWealth Program were used to pay the personal expenses of the said Defendant, said information being a material fact;

PARAGRAPH IV

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, beginning on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, did then and there directly and through agents, sell and offer for sale interests and/or shares in StealthWealth, Inc., the S & P 500 Account, the Nasdaq 100 Account, the NAZDAQ 100 Account, the DOW 30 Account, the Russell 2000 Account, and/or the EURO/US \$ Account, hereinafter referred to as the "StealthWealth Program," being securities, to wit: stocks, investment contracts, and evidences of indebtedness, to Horace McMahon, Rebecca McMahon, Joe Fields, Louise Fields, and Robert Freehill, and the said

Defendant did commit fraud in connection with the sales and offers for sale of said securities by intentionally failing to disclose new investor funds invested in the StealthWealth Program were used to pay monthly "profits" to old investors in the StealthWealth Program, said information being a material fact;

PARAGRAPH V

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, beginning on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, did then and there directly and through agents, sell and offer for sale interests and/or shares in StealthWealth, Inc., the S & P 500 Account, the Nasdaq 100 Account, the NAZDAQ 100 Account, the DOW 30 Account, the Russell 2000 Account, and/or the EURO/US \$ Account, hereinafter referred to as the "StealthWealth Program," being securities, to wit: stocks, investment contracts, and evidences of indebtedness, to Horace McMahan, Rebecca McMahan, Joe Fields, Louise Fields, and Robert Freehill, and the said Defendant did commit fraud in connection with the sales and offers for sale of said securities by knowingly and intentionally representing the defendant had successfully produced profits for previous investors, said information being a misrepresentation of a relevant fact;

PARAGRAPH VI

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, beginning on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, did then and there directly and through agents, sell and offer for sale interests and/or shares in StealthWealth, Inc., the S & P 500 Account, the Nasdaq 100 Account, the NAZDAQ 100 Account, the DOW 30 Account, the Russell 2000 Account, and/or the EURO/US \$ Account, hereinafter referred to as the "StealthWealth Program," being securities, to wit: stocks, investment contracts, and evidences of indebtedness, to Horace McMahan, Rebecca McMahan, Joe Fields, Louise Fields, and Robert Freehill, and the said Defendant did commit fraud in connection with the sales and offers for sale of said securities by knowingly and intentionally representing defendant would trade in the StealthWealth Program five days a week, and four weeks per month, said information being a misrepresentation of relevant facts;

PARAGRAPH VII

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, beginning on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, did then and there directly and through agents, sell and offer for sale interests and/or shares in StealthWealth, Inc., the S & P 500 Account, the Nasdaq

100 Account, the NAZDAQ 100 Account, the DOW 30 Account, the Russell 2000 Account, and/or the EURO/US \$ Account, hereinafter referred to as the "StealthWealth Program," being securities, to wit: stocks, investment contracts, and evidences of indebtedness, to Horace McMahan, Rebecca McMahan, Joe Fields, Louise Fields, and Robert Freehill, and the said Defendant did commit fraud in connection with the sales and offers for sale of said securities by intentionally failing to disclose defendant had not traded prior investor funds with the frequency and volume he had previously promised, said information being a material fact;

PARAGRAPH VIII

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, beginning on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, did then and there directly and through agents, sell and offer for sale interests and/or shares in StealthWealth, Inc., the S & P 500 Account, the Nasdaq 100 Account, the NAZDAQ 100 Account, the DOW 30 Account, the Russell 2000 Account, and/or the EURO/US \$ Account, hereinafter referred to as the "StealthWealth Program," being securities, to wit: stocks, investment contracts, and evidences of indebtedness, to Horace McMahan, Rebecca McMahan, Joe Fields, Louise Fields, and Robert Freehill, and the said Defendant did commit fraud in connection with the sales and offers for sale of said securities by intentionally failing to disclose on or about October 5, 2005, Ronald Erik Lewis filed a voluntary petition in bankruptcy for relief under Chapter 7 of the U.S. Bankruptcy Code in Case Number 05-11009-rj7 in the United States Bankruptcy Court, Northern District of Texas, Abilene Division, and on or about January 30, 2006, Ronald Erik Lewis was granted a discharge in this case under Section 727 of Title 11 U.S. Bankruptcy Code by said bankruptcy court, said information being a material fact;

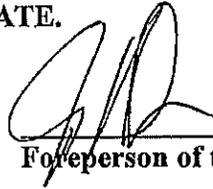
PARAGRAPH IX

THE GRAND JURORS, duly selected, organized, sworn and empaneled as such for the County of Comal, State of Texas, at the January term, A.D., 2016, of the 207TH Judicial District Court for said County, upon their oaths present in and to said Court that in the county and state aforesaid, and before the presentment of this indictment, beginning on or about the 3rd day of March, 2008, and continuing until on or about the 27th day of October, 2013, **RONALD ERIK LEWIS**, hereinafter styled Defendant, did then and there directly and through agents, sell and offer for sale interests and/or shares in StealthWealth, Inc., the S & P 500 Account, the Nasdaq 100 Account, the NAZDAQ 100 Account, the DOW 30 Account, the Russell 2000 Account, and/or the EURO/US \$ Account, hereinafter referred to as the "StealthWealth Program," being securities, to wit: stocks, investment contracts, and evidences of indebtedness, to Horace McMahan, Rebecca McMahan, Joe Fields, Louise Fields, and Robert Freehill, and the said Defendant did commit fraud in connection with the sales and offers for sale of said securities by intentionally failing to disclose on or about June 6, 2006, a dispute resolution proceeding conducted by the National Association of Securities Dealers in Case Number 05-00107, styled Arbitration Award in the matter *Jones v. D.E. Frey, et al.*, a panel of arbitrators, after hearing the case, awarded the Claimant the sum of \$43,750.00 in compensatory damages plus interest on the awarded damages at the rate of 5% per annum from March 31, 2000 through May 15, 2006, and

the sum of \$81,126.00 in attorney's fees, to be paid by Respondent Lewis & Lewis Securities, Inc., said information being a material fact;

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

AGAINST THE PEACE AND DIGNITY OF THE STATE.



Foreperson of the Grand Jury

<u>Person</u>	<u>Date</u>	<u>Amount</u>
Joe W. & Louise Fields	March 3, 2008	\$9,000.00
Robert & Charlyn Freehill	April 18, 2008	\$9,000.00
Horace E. & Rebecca McMahon	June 9, 2008	\$18,000.00
Robert & Charlyn Freehill	September 8, 2008	\$9,000.00
Robert & Charlyn Freehill	March 2, 2009	\$9,000.00
Horace E. & Rebecca McMahon	April 16, 2009	\$18,000.00
Joe W. & Louise Fields	May 19, 2009	\$9,000.00
Joe W. & Louise Fields	May 20, 2009	\$9,000.00
Joe W. & Louise Fields	July 13, 2009	\$9,000.00
Horace E. & Rebecca McMahon	October 5, 2009	\$18,000.00
Joe W. & Louise Fields	December 28, 2009	\$9,000.00
Joe W. & Louise Fields	January 4, 2010	\$9,000.00
Horace E. & Rebecca McMahon	May 14, 2010	\$18,000.00
Horace E. & Rebecca McMahon	May 17, 2010	\$9,000.00
Robert & Charlyn Freehill	August 12, 2010	\$18,000.00
Horace E. & Rebecca McMahon	November 9, 2010	\$18,000.00
Joe W. & Louise Fields	January 10, 2011	\$9,000.00
Joe W. & Louise Fields	January 12, 2011	\$9,000.00
Horace E. & Rebecca McMahon	February 23, 2011	\$18,000.00
Joe W. & Louise Fields	May 23, 2011	\$9,000.00
Joe W. & Louise Fields	May 24, 2011	\$9,000.00
Joe W. & Louise Fields	May 26, 2011	\$9,000.00
Joe W. & Louise Fields	May 31, 2011	\$9,000.00
Horace E. & Rebecca McMahon	October 14, 2011	\$18,000.00
Joe W. & Louise Fields	December 14, 2011	\$9,000.00
Joe W. & Louise Fields	December 15, 2011	\$9,000.00
Joe W. & Louise Fields	December 19, 2011	\$9,000.00
Joe W. & Louise Fields	March 20, 2012	\$9,000.00
Horace E. & Rebecca McMahon	April 16, 2012	\$9,000.00
Joe W. & Louise Fields	June 6, 2012	\$9,000.00

Joe W. & Louise Fields	June 7, 2012	\$9,000.00
Horace E. & Rebecca McMahan	July 31, 2012	\$18,000.00
Horace E. & Rebecca McMahan	August 3, 2012	\$9,000.00
Joe W. & Louise Fields	October 30, 2012	\$9,000.00
Robert & Charlyn Freehill	November 16, 2012	\$9,000.00
Robert & Charlyn Freehill	December 5, 2012	\$6,500.00
Robert & Charlyn Freehill	December 5, 2012	\$2,500.00
Horace E. & Rebecca McMahan	February 5, 2013	\$18,000.00
Horace E. & Rebecca McMahan	April 3, 2013	\$27,000.00
Horace E. & Rebecca McMahan	June 24, 2013	\$18,000.00
Joe W. & Louise Fields	August 19, 2013	\$9,000.00
Joe W. & Louise Fields	August 20, 2013	\$9,000.00
Horace E. & Rebecca McMahan	October 27, 2013	\$9,000.00