

D.A. # D1DC-15-900153 / MNI # 8918915

299th

No. D1DC15-900153

The State of Texas v. Dave Rosen

Indictment

Count I:	Theft, § 31.03	1st Degree Felony
Count II:	Securities Fraud, Vernon's Ann.Civ.St.Article 581-29	1st Degree Felony
Count III:	Misapplication of Fiduciary Property, § 32.45	1st Degree Felony
Count IV:	Money Laundering, § 34.02	1st Degree Felony

Bond

In the 427th Judicial District County of Travis County, Texas

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

THE GRAND JURY, for the County of Travis, State of Texas, duly selected, empaneled, sworn, charged, and organized as such at the July Term, A.D. of 2015, of the 427th Judicial District Court for said County, upon its oath, presents in and to said Court at said Term that Dave Rosen, hereinafter "Defendant", on or about the dates listed below, and before the presentment of this indictment, in the County of Travis, and State of Texas, did then and there unlawfully appropriate, to wit: acquire or exercise control over property, other than real property, to wit: United States currency, from the following owners, and in the following amounts:

<u>Owner</u>	<u>Date of Appropriation</u>	<u>Amount of Appropriation</u>
Joseph Norris	September 3, 2009	\$130,000.00
Younts Group LLC / Lindsey Younts	September 14, 2009	\$10,000.00
Guy Glazier	September 28, 2009	\$40,000.00
Edward H Gowett CPA PC / Edward Gowett	October 23, 2009	\$40,000.00

Filed in The District Court
of Travis County, Texas

AUG 18 2015

At *lwp* M.
Velva L. Price, District Clerk

Scott Spann	October 25, 2009	\$140,000.00
Michael & Jo Ann Nyeholt	November 17, 2009	\$40,000.00
Jeffrey Dochen	December 22, 2009	\$40,000.00
Sabine Bildstein	December 22, 2009	\$7,000.00
Scott Spann	January 15, 2010	\$110,000.00
Wayne Hunter	January 25, 2010	\$10,000.00
Wayne Hunter	January 25, 2010	\$30,000.00
EAB Holdings, LLC / Alan Battaglini	January 29, 2010	\$65,000.00
Kevin Hodges	February 1, 2010	\$25,000.00
Jesus Leal	February 1, 2010	\$50,000.00
Alan Battaglini	February 5, 2010	\$50,000.00
David Neuhaus	February 6, 2010	\$100,000.00
Scott Becker	February 19, 2010	\$50,000.00
Ken Howell	February 22, 2010	\$40,000.00
Backbone Chiropractic Health / Tracie Schwab & Kristy Clinton Hodges	February 22, 2010	\$30,000.00
Joseph Norris	February 26, 2010	\$100,000.00
Nolan E. Perez	February 26, 2010	\$40,000.00
Vera Fischer	March 1, 2010	\$20,000.00
Michael Torres	April 15, 2010	\$200,000.00
Ken Howell	May 13, 2010	\$20,000.00
Ken Howell	May 14, 2010	\$20,000.00
Danco Distribution / Dan Kemp	May 17, 2010	\$72,500.00
Guy Glazier	May 24, 2010	\$30,000.00

Sabine Bildstein	May 26, 2010	\$8,000.00
Penny Investments / George Stokes	June 18, 2010	\$50,000.00
Contemporary Family Med Trust	June 28, 2010	\$35,000.00
David Nolte	June 28, 2010	\$16,975.00
Dr. B. Sachs & Theresa Sachs	June 28, 2010	\$50,000.00
Michael Torres	June 28, 2010	\$50,000.00
Penny Investments / George Stokes	June 28, 2010	\$15,000.00
Ramon & Alma Sanchez	June 28, 2010	\$50,000.00
Darrell R. Dodds	June 29, 2010	\$10,000.00
Donald E. Delman	June 29, 2010	\$10,000.00
Donald E. Delman	June 30, 2010	\$15,000.00
Younts Group LLC / Lindsey Younts	July 14, 2010	\$15,000.00
Donald Stetz	August 3, 2010	\$25,000.00
Michael Nyeholt	August 26, 2010	\$75,000.00
Guy Glazier	August 26, 2010	\$30,000.00

And said appropriations were without the effective consent of said owners in that consent was induced by deception, to wit:

- a. Said defendant created and confirmed by words and conduct false impressions of fact that were likely to affect the judgment of said owners in the transactions and the defendant did not believe to be true, or
- b. said defendant failed to correct false impressions of fact that were likely to affect the judgment of said owners in the transactions, that said defendant previously created and confirmed by words and conduct, and said defendant did not at the time believe to be true, or

- c. said defendant promised performance that affected the judgment of said owners in said transactions that said defendant did not intend to perform and knew would not be performed,

And said defendant acted with the intent to deprive said owners of said property by withholding said property permanently or for so extended a period of time that a major portion of the value or enjoyment of said property was lost to said owners, or by disposing of said property in a manner that made recovery of said property by said owners unlikely;

And all of said amounts were obtained, as alleged, as part of one scheme and continuing course of conduct, and the aggregate value of the property so appropriated was \$200,000.00 or more,

Count II

And the Grand Jury further presents in and to said Court at said term that Dave Rosen, before the presentment of this indictment, in the County of Travis, and State of Texas, did then and there directly and through agents, sell and offer for sale membership interests in musical concerts to be produced by Rozone Productions, LLC and / or Illuminated Entertainment Group, LLC (hereinafter referred to as the "Concert Investment Program"), being securities, to wit: investment contracts, promissory notes, and evidences of indebtedness, to each of the persons listed below, and in the following amounts:

<u>Owner</u>	<u>Date of Appropriation</u>	<u>Amount of Appropriation</u>
Joseph Norris	September 3, 2009	\$130,000.00
Younts Group LLC / Lindsey	September 14, 2009	\$10,000.00

Younts

Guy Glazier	September 28, 2009	\$40,000.00
Edward H Gowett CPA PC / Edward Gowett	October 23, 2009	\$40,000.00
Scott Spann	October 25, 2009	\$140,000.00
Michael & Jo Ann Nyeholt	November 17, 2009	\$40,000.00
Jeffrey Dochen	December 22, 2009	\$40,000.00
Sabine Bildstein	December 22, 2009	\$7,000.00
Scott Spann	January 15, 2010	\$110,000.00
Wayne Hunter	January 25, 2010	\$10,000.00
Wayne Hunter	January 25, 2010	\$30,000.00
EAB Holdings, LLC / Alan Battaglini	January 29, 2010	\$65,000.00
Kevin Hodges	February 1, 2010	\$25,000.00
Jesus Leal	February 1, 2010	\$50,000.00
Alan Battaglini	February 5, 2010	\$50,000.00
David Neuhaus	February 6, 2010	\$100,000.00
Scott Becker	February 19, 2010	\$50,000.00
Ken Howell	February 22, 2010	\$40,000.00
Backbone Chiropractic Health / Tracie Schwab & Kristy Clinton Hodges	February 22, 2010	\$30,000.00
Joseph Norris	February 26, 2010	\$100,000.00
Nolan E. Perez	February 26, 2010	\$40,000.00
Vera Fischer	March 1, 2010	\$20,000.00
Michael Torres	April 15, 2010	\$200,000.00

Ken Howell	May 13, 2010	\$20,000.00
Ken Howell	May 14, 2010	\$20,000.00
Danco Distribution / Dan Kemp	May 17, 2010	\$72,500.00
Guy Glazier	May 24, 2010	\$60,000.00
Sabine Bildstein	May 26, 2010	\$8,000.00
Penny Investments / George Stokes	June 18, 2010	\$50,000.00
Contemporary Family Med Trust	June 28, 2010	\$35,000.00
David Nolte	June 28, 2010	\$16,975.00
Dr. B. Sachs & Theresa Sachs	June 28, 2010	\$50,000.00
Michael Torres	June 28, 2010	\$50,000.00
Penny Investments / George Stokes	June 28, 2010	\$15,000.00
Ramon & Alma Sanchez	June 28, 2010	\$50,000.00
Darrell R. Dodds	June 29, 2010	\$10,000.00
Donald E. Delman	June 29, 2010	\$10,000.00
Donald E. Delman	June 30, 2010	\$15,000.00
Younts Group LLC / Lindsey Younts	July 14, 2010	\$15,000.00
Donald Stetz	August 3, 2010	\$25,000.00
Michael Nyeholt	August 26, 2010	\$75,000.00
Guy Glazier	August 26, 2010	\$30,000.00

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

- a. Intentionally failing to disclose that funds invested by new investors in the Concert Investment Program would be used to pay previous investors in the Concert Investment Program, said information being a material fact, or

- b. Knowingly and intentionally misrepresenting that funds invested by investors in the Concert Investment Program would be placed into escrow accounts, said information being a relevant fact, or
- c. Knowingly and intentionally misrepresenting that funds invested by investors in the Concert Investment Program would be used to secure specific musical artists, said information being a relevant fact, or
- d. Intentionally failing to disclose that funds invested by investors in the Concert Investment Program would be used for the general operational expenses of Rozone Productions, LLC or Illuminated Entertainment Group, LLC, said information being a material fact, or
- e. Intentionally failing to disclose that funds invested by investors in the Concert Investment Program would be used for the personal expenses of the defendant, said information being a material fact, or
- f. Knowingly and intentionally misrepresenting that previous investors in the Concert Investment Program received profitable returns, said information being a relevant fact, or
- g. Intentionally failing to disclose that previous investors in the Concert Investment Program did not receive the returns promised to them, said information being a material fact, or
- h. Knowingly and intentionally misrepresenting that funds invested by investors in the Concert Investment Program generated a return, and said return could be “rolled over” into additional investments, said information being a relevant 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;

Count III

And the Grand Jury further presents in and to said Court at said term that Dave Rosen, on or about the dates listed below, and before the presentment of this indictment, in the County of Travis, and State of Texas, did then and there, intentionally, knowingly, or recklessly misapply property, to wit: United States currency, from the following owners and in the following amounts:

<u>Owner</u>	<u>Date of Appropriation</u>	<u>Amount of Appropriation</u>
Joseph Norris	September 3, 2009	\$130,000.00
Younts Group LLC / Lindsey Younts	September 14, 2009	\$10,000.00
Guy Glazier	September 28, 2009	\$40,000.00
Edward H Gowett CPA PC / Edward Gowett	October 23, 2009	\$40,000.00
Scott Spann	October 25, 2009	\$140,000.00
Michael & Jo Ann Nyeholt	November 17, 2009	\$40,000.00
Jeffrey Dochen	December 22, 2009	\$40,000.00
Sabine Bildstein	December 22, 2009	\$7,000.00
Scott Spann	January 15, 2010	\$110,000.00
Wayne Hunter	January 25, 2010	\$10,000.00
Wayne Hunter	January 25, 2010	\$30,000.00
EAB Holdings, LLC / Alan Battaglini	January 29, 2010	\$65,000.00
Kevin Hodges	February 1, 2010	\$25,000.00

Jesus Leal	February 1, 2010	\$50,000.00
Alan Battaglini	February 5, 2010	\$50,000.00
David Neuhaus	February 6, 2010	\$100,000.00
Scott Becker	February 19, 2010	\$50,000.00
Ken Howell	February 22, 2010	\$40,000.00
Backbone Chiropractic Health / Tracie Schwab & Kristy Clinton Hodges	February 22, 2010	\$30,000.00
Joseph Norris	February 26, 2010	\$100,000.00
Nolan E. Perez	February 26, 2010	\$40,000.00
Vera Fischer	March 1, 2010	\$20,000.00
Michael Torres	April 15, 2010	\$200,000.00
Ken Howell	May 13, 2010	\$20,000.00
Ken Howell	May 14, 2010	\$20,000.00
Danco Distribution / Dan Kemp	May 17, 2010	\$72,500.00
Guy Glazier	May 24, 2010	\$30,000.00
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David Nolte	June 28, 2010	\$16,975.00
Dr. B. Sachs & Theresa Sachs	June 28, 2010	\$50,000.00
Michael Torres	June 28, 2010	\$50,000.00
Penny Investments / George Stokes	June 28, 2010	\$15,000.00
Ramon & Alma Sanchez	June 28, 2010	\$50,000.00
Darrell R. Dodds	June 29, 2010	\$10,000.00
Donald E. Delman	June 29, 2010	\$10,000.00

Donald E. Delman	June 30, 2010	\$15,000.00
Younts Group LLC / Lindsey Younts	July 14, 2010	\$15,000.00
Donald Stetz	August 3, 2010	\$25,000.00
Michael Nyeholt	August 26, 2010	\$75,000.00
Guy Glazier	August 26, 2010	\$30,000.00

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 agreements under which the property was to be held, to wit: under agreements whereby said Defendant would place said funds into a third-party escrow account for the purpose of securing artists for concerts,

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

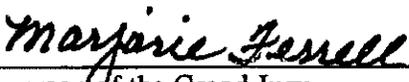
And all of said amounts were obtained, as alleged, as part of one scheme and continuing course of conduct, and the aggregate value of the property so appropriated was \$200,000.00 or more,

Count IV

And the Grand Jury further presents in and to said Court at said term that Dave Rosen, on or about the dates of September 3, 2009, through August 26, 2010, and before the presentment of this indictment, in the County of Travis, and State of Texas, did then and there knowingly acquire an interest in and possess the proceeds of criminal activity, to wit: United States currency, 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 Theft in the amount of two hundred thousand dollars (\$200,000.00) or more, a felony under the laws of the State of Texas,

against the peace and dignity of the State.


Marjorie Fenell
Foreperson of the Grand Jury