

SEALED

FILED

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

FEB 19 2019
CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS
BY _____
DEPUTY CLERK

UNITED STATES OF AMERICA,

Plaintiff

vs.

CHRISTOPHER MATTHEW
MEREDITH,

Defendant

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No. 1:19-CR-

A 19 CR 039 RP

[Violations:
Securities Fraud, 15 U.S.C. §§ 78j(b) and
78ff, and 17 C.F.R. § 240.10b-5; and
Wire Fraud, 18 U.S.C. § 1343]

INDICTMENT

THE GRAND JURY CHARGES:

Introduction

1. During the period that began in or about January 2015 and continued until in or about March 2017 (“the Relevant Period”), in the Western District of Texas and elsewhere, the Defendant,

CHRISTOPHER MATTHEW MEREDITH

(“the Defendant”) devised, executed, and employed devices, schemes, and artifices to defraud investors in his company, Strategic Pharma, Inc. (“SPI”), and to obtain money and property from those investors by way of false and fraudulent pretenses, representations and promises (hereafter “the scheme”).

2. The Defendant intended to defraud the investors, and he did defraud them, by falsely representing to them that SPI had certain agreements, business operations, money, and assets that the Defendant then and there well knew SPI did not have.

3. The Defendant also failed to disclose material facts to the investors, including the fact that he had misdirected and misappropriated the investors' funds, and the fact that he was under investigation for, and then pled guilty to, defrauding investors in another company that he controlled.

4. Through those material misrepresentations and omissions, the Defendant persuaded investors to give him their money in return for shares of SPI stock, and he obtained loans from some investors as well.

5. Then, without authorization from or disclosure to the investors, the Defendant used and spent some or all of the funds for his own personal expenses and those of his relatives and associates.

6. The Defendant used the mails, interstate wire communications, and other means and instrumentalities of interstate commerce to execute and carry out the scheme.

Purpose of the Scheme

7. The purpose of the scheme was to enrich the Defendant by giving him control and possession of investor funds that he would then use and spend, without the knowledge or permission of the investors, on his own personal expenses and those of his relatives and associates.

Manner and Means

8. The Defendant, both personally and by and through persons known and unknown to the Grand Jury, carried out the scheme in the following manner and by the following means.

The Defendant would and did:

- a. Form SPI and issue shares of its stock;
- b. Sell shares of SPI stock to investors;

- c. Obtain loans from SPI investors, some of which were convertible to shares of SPI stock;
- d. Direct investors to transfer funds by wire from accounts at banks in Texas to accounts at banks outside Texas;
- e. Accept investors' personal checks, drawn on banks in Texas, and negotiate, cash, or deposit those checks at one or more banks outside Texas;
- f. Provide promotional materials, agreements, and other writings to investors and potential investors by way of the Internet;
- g. Make representations about his own qualifications that were false and misleading because he omitted to disclose (i) that he had recently defrauded investors in a company that he controlled in Florida ("the Florida fraud"); (ii) that he was under investigation by state authorities in Florida for the Florida fraud; or (iii) that he pleaded guilty to Grand Theft, a first degree felony, in state court in Florida, based on the Florida fraud;
- h. Represent to investors and potential investors that SPI was in the business of (i) conducting research related to medical uses of marijuana; and (ii) managing locations and facilities at which patients could receive medical treatments using marijuana;
- i. Falsely represent to investors and potential investors that SPI had entered into a Partnership Agreement with the United States Department of Veterans Affairs ("VA") that would result in receipt by SPI of substantial revenue, when the Defendant then and there well knew that neither he, nor SPI, nor any affiliate of SPI, nor any other entity that he controlled had entered into an agreement with the VA;
- j. Create a false and counterfeit document, bearing a "Department of Veterans Affairs" heading, bearing the title "Partnership Agreement," and bearing the purported

signatures of VA officials; and show that false and counterfeit document to investors and potential investors in order to persuade them that SPI had entered into a Partnership Agreement with the VA, when the Defendant then and there well knew that the document was false and counterfeit;

k. Falsely represent to investors and potential investors that SPI had entered into agreements with Biopharma Services, Inc. that would result in receipt by SPI of substantial revenue, when the Defendant then and there well knew that neither he, nor SPI, nor any affiliate of SPI, nor any other entity that he controlled had entered into an agreement with Biopharma Services, Inc.;

l. Falsely represent to investors and potential investors that SPI had received substantial funds as a result of its agreements and business operations, when the Defendant then and there well knew that SPI had not received that money;

m. Create false and counterfeit bank records and other financial records, purporting to show that SPI had received and still had in its possession substantial funds; and show those false and counterfeit records to investors and potential investors in order to persuade them that SPI had received and still had in its possession substantial funds, when the Defendant then and there well knew that SPI had not received the funds and did not have them; and

n. Misdirect and misappropriate the funds that investors entrusted to him, using and spending those funds for purposes neither disclosed to nor authorized by the investors, including purchasing a home and vehicles for himself, repaying victims from the Florida fraud, and otherwise providing for his own personal and business expenses without benefiting the investors or SPI.

COUNTS ONE THROUGH FOUR

Securities Fraud

(Violations of 15 U.S.C. §§ 78j(b) and 78ff, and 17 C.F.R. § 240.10b-5)

9. Counts One through Four incorporate by reference, as if fully set forth herein, Paragraphs "1" through "8" of this Indictment.

10. Throughout the Relevant Period, shares of Strategic Pharma, Inc. stock were securities, as defined by the securities laws of the United States.

11. Throughout the Relevant Period, in the Austin Division of the Western District of Texas and elsewhere, the Defendant,

CHRISTOPHER MATTHEW MEREDITH

("the Defendant"), acting both directly and by and through persons known and unknown to the Grand Jury, willfully, knowingly, and with intent to defraud, by use of the mails and means and instrumentalities of interstate commerce, directly and indirectly, in connection with the purchase and sale of shares of Strategic Pharma, Inc. stock, used and employed manipulative and deceptive devices and contrivances in contravention of rules and regulations prescribed by the U.S. Securities and Exchange Commission as necessary and appropriate in the public interest and for the protection of investors, by

- employing devices, schemes and artifices to defraud;
- making untrue statements of material facts and omitting to state material facts that were necessary in order to make statements that were made not misleading in light of the circumstances under which the statements were made; and
- engaging in acts, practices and courses of business that operated and would operate as a fraud and deceit on a person,

all as alleged in Paragraphs "1" through "8" of this Indictment, which are incorporated herein by reference.

12. The Defendant, acting both directly and by and through persons known and unknown to the Grand Jury, did the things described in the preceding paragraph in connection with the following purchases and sales of shares of Strategic Pharma, Inc. stock.

<u>Count</u>	<u>Date</u>	<u>Seller</u>	<u>Purchaser</u>
One	April 28, 2015	The Defendant	K.M.F. and S.S.F.
Two	August 18, 2016	The Defendant	J.N.K.
Three	August 22, 2016	The Defendant	K.M.F. and S.S.F.
Four	November 30, 2016	The Defendant	B.H.P.

All in violation of 15 U.S.C. §§ 78j(b) and 78ff, and 17 C.F.R. § 240.10b-5.

COUNTS FIVE AND SIX
Wire Fraud
(Violations of 18 U.S.C. § 1343)

13. Counts Five and Six incorporate by reference, as if fully set forth herein, Paragraphs "1" through "8" above.

14. Throughout the Relevant Period, in the Western District of Texas and elsewhere, the Defendant,

CHRISTOPHER MATTHEW MEREDITH

("the Defendant"), devised and intended to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises; and having done so, for the purpose of executing the scheme and artifice, the Defendant, with intent to defraud, both directly and by and through persons known and unknown to the grand jury, transmitted and caused to be transmitted by means of wire, radio and television communication in interstate and foreign commerce, the writings, signs, signals, pictures, and sounds set forth below.

15. As to each of Counts Five and Six, on or about the date set forth below, in the Austin Division of the Western District of Texas and elsewhere, the Defendant transmitted and caused to be transmitted by means of wire and radio communication in interstate commerce, the writings, signs, signals, pictures, and sounds set forth below:

<u>Count</u>	<u>Date</u>	<u>From</u>	<u>To</u>	<u>Contents</u>
Five	December 7, 2016	J.G.A. in Texas	Strategic Pharma, Inc. in Colorado	Wire Transfer of \$150,000
Six	December 7, 2016	Alexander Oil Co. in Texas	Strategic Pharma, Inc. in Colorado	Wire Transfer of \$600,000

Each in violation of 18 U.S.C. § 1343.

NOTICE OF GOVERNMENT'S DEMAND FOR FORFEITURE

This Notice of Demand for Forfeiture includes, but is not limited to, the property described below in Paragraph III.

I. Forfeiture Statutes for Securities Fraud
[18 U.S.C. § 981(a)(1)(C), as made applicable by 28 U.S.C. § 2461(c)]

As a result of the foregoing criminal violation set forth in Count One, the United States gives notice that it intends to forfeit, but is not limited to, the below-listed property from Defendant **CHRISTOPHER MATTHEW MEREDITH**. Defendant shall forfeit all right, title, and interest in said property to the United States pursuant to FED. R. CRIM. P. 32.2 and 18 U.S.C. § 981(a)(1)(C), as made applicable by 28 U.S.C. § 2461(c). Section 981(a)(1)(C) provides, in pertinent part, the following:

18 U.S.C. § 981. Civil Forfeiture

(a)(1) The following property is subject to forfeiture to the United States:

* * *

(C) Any property, real or personal, which constitutes or is derived from proceeds traceable to . . . any offense constituting "specified unlawful activity" (as defined in section 1956(c)(7) of this title), or a conspiracy to commit such offense.

II. Forfeiture Statutes for Wire Fraud

[18 U.S.C. § 981(a)(1)(C), as made applicable by 28 U.S.C. § 2461(c)]

As a result of the foregoing criminal violations set forth in Counts Two through Seven, the United States gives notice that it intends to forfeit, but is not limited to, the below-listed property from Defendant **CHRISTOPHER MATTHEW MEREDITH**. Defendant shall forfeit all right, title, and interest in said property to the United States pursuant to FED. R. CRIM. P. 32.2 and 18

III. Subject Property

Money Judgment

A sum of money that represents the amount of proceeds personally obtained as a result of the violation of 15 U.S.C. §§ 78j(b), 78ff and/or 18 U.S.C. § 1343 for which Defendant CHRISTOPHER MATTHEW MEREDITH is liable.

Substitute Assets

If any property subject to forfeiture as a result of the offense(s) set forth in the Counts listed above;

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty;

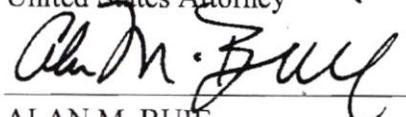
as a result of any act or omission of the Defendant, **CHRISTOPHER MATTHEW MEREDITH**, it is the intent of the United States of America, to seek forfeiture of any other property of said Defendant, up to the value of the property listed above as being subject to forfeiture.

A TRUE BILL:


FOREPERSON

JOHN F. BASH
United States Attorney

By:


ALAN M. BUIE
Assistant United States Attorney

FILED

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

FEB 19 2019

CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS
BY _____
DEPUTY CLERK

UNITED STATES OF AMERICA,

Plaintiff

v.

CHRISTOPHER MATTHEW
MEREDITH,

Defendant

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CRIMINAL No. **A19CR 039 RP**

ORDER FOR BENCH WARRANT AND
SETTING AMOUNT OF BAIL

It appearing to the Court that an indictment has been returned against the below named defendant, it is hereby ORDERED that warrant issue for the arrest of said defendant, and bail is hereby fixed in the amount shown below, returnable instanter to the Austin, Texas Division of this Court, such bail to be taken by any United States Magistrate.

Defendant

Amount of Bail

CHRISTOPHER MATTHEW MEREDITH

Based upon the request of the U.S. Attorney, it is recommended that the defendant be detained until a hearing pursuant to 18 U.S.C. § 3142 can be held.

SIGNED at Austin, Texas, this 19th day of February, 2019.

UNITED STATES MAGISTRATE JUDGE



UNITED STATES DISTRICT COURT

for the
Western District of Texas

United States of America
v.
Christopher Matthew Meredith

Case No. 1:19-cr-39 RP

Defendant

ARREST WARRANT

To: Any authorized law enforcement officer

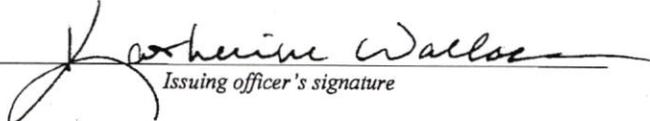
YOU ARE COMMANDED to arrest and bring before a United States magistrate judge without unnecessary delay
(name of person to be arrested) Christopher Matthew Meredith
who is accused of an offense or violation based on the following document filed with the court:

- Indictment Superseding Indictment Information Superseding Information Complaint
- Probation Violation Petition Supervised Release Violation Petition Violation Notice Order of the Court

This offense is briefly described as follows:

Count 1: 15 U.S.C. §§78j(b) and 78ff, and 15 C.F.R. § 240.10b-5 Securities Fraud
Counts 2-6: 18 U.S.C. § 1343 – Wire Fraud

Date: 02/19/2019


Issuing officer's signature

City and state: Austin, Texas

Katherine Wallace, Courtroom Deputy
Printed name and title

Return

This warrant was received on (date) _____, and the person was arrested on (date) _____
at (city and state) _____.

Date: _____

Arresting officer's signature

Printed name and title

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

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WESTERN DISTRICT OF TEXAS

BY _____
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UNITED STATES OF AMERICA,

Plaintiff

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CHRISTOPHER MATTHEW
MEREDITH,

Defendant

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CRIMINAL No. **A19CR 039 RP**

MOTION TO SEAL INDICTMENT

The government respectfully requests that the Court seal all documents relating to the Indictment in the above-styled cause until the time of the Defendant's arrest, at which time those documents would unseal automatically. The documents to which this Motion pertains include the Indictment, the Record of Grand Jurors Concurring, the Personal Data Sheet, the Order for Bench Warrant and Setting Amount of Bail, as well as this Motion and any Order ruling on this motion. Sealing those documents will help the government to apprehend the Defendant safely and reduce the risk that the Defendant will flee.

Respectfully submitted,

JOHN F. BASH
UNITED STATES ATTORNEY

By:


ALAN M. BUIE
Assistant United States Attorney
816 Congress Avenue, Suite 1000
Austin, Texas 78701
(512) 916-5858
(512) 916-5854 FAX
State Bar No. 783751

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

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CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS
BY _____
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SEALED

UNITED STATES OF AMERICA,

Plaintiff

v.

CHRISTOPHER MATTHEW
MEREDITH,

Defendant

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CRIMINAL No. A19CR 039 RP

ORDER

Came on to be considered the government's Motion to Seal Indictment ("the Motion"), and the Court having considered said motion and having determined that it has merit, hereby GRANTS the Motion; and

ORDERS that the Indictment, the Record of Grand Jurors Concurring, the Personal Data Sheet, the Order for Bench Warrant and Setting Amount of Bail, the Motion, and this Order shall be sealed until the time of the Defendant's arrest, at which time those documents shall be unsealed automatically without further order of this Court.

SIGNED on this the 19th day of February 2019.

UNITED STATES DISTRICT JUDGE

