

- (1) Records which identify and provide the location of people who have purchased investments in Credit Nation Capital, L.L.C.; Credit Nation Acceptance, L.L.C.; Credit Nation Auto Sales, L.L.C.; American Motor Credit, L.L.C.; Spaghetti Junction, L.L.C.; Texas First Financial, L.L.C.; Primary Urgent Care, L.L.C.; Premier Immediate Care, L.L.C.; Premier One Emergency Care, L.L.C.; Mechanical Motion Solutions, L.L.C.; BNR Real Estate Holdings, L.L.C.; TenList, Inc.; Stamedia, Inc. (a/k/a Stamedia, L.L.C.); Growth Hackers, L.L.C.; Meteora; North-Forty Development, L.L.C.; Texas Cash Cow Investments, Inc.; Christian Custom Homes, L.L.C.; Oklahoma Cash Cow Investments, L.L.C.; Texas Cash Cow of Houston, Inc.; Cash Flow Kings, Inc.; CCMG Real Estate, Inc.; Double Droptine Ranch, L.L.C.; PMC Contractors, Inc.; Texaplex Leasing, L.L.C.; Accelerated Employment Agency, L.L.C.; Prosper Flex Development Partners, L.L.C.; Frisco Wade Crossing Development Partners, L.L.C.; McKinney Executive Suites at Crescent Parc Development Partners, L.L.C.; Right Wing Aviation, L.L.C.; West Main Station, L.L.C.; Shops at West Main Station, L.L.C.; and Cantera Homes, L.L.C.

- (2) Records documenting the receipt and disbursement of monies paid by purchasers of investments in Credit Nation Capital, L.L.C.; Credit Nation Acceptance, L.L.C.; Credit Nation Auto Sales, L.L.C.; American Motor Credit, L.L.C.; Spaghetti Junction, L.L.C.; Texas First Financial, L.L.C.; Primary Urgent Care, L.L.C.; Premier Immediate Care, L.L.C.; Premier One Emergency Care, L.L.C.; Mechanical Motion Solutions, L.L.C.; BNR Real Estate Holdings, L.L.C.; TenList, Inc.; Stamedia, Inc. (a/k/a Stamedia, L.L.C.); Growth Hackers, L.L.C.; Meteora; North-Forty Development, L.L.C.; Texas Cash Cow Investments, Inc.; Christian Custom Homes, L.L.C.; Oklahoma Cash Cow Investments, L.L.C.; Texas Cash Cow of Houston, Inc.; Cash Flow Kings, Inc.; CCMG Real Estate, Inc.; Double Droptine Ranch, L.L.C.; PMC Contractors, Inc.; Texaplex Leasing, L.L.C.; Accelerated Employment Agency, L.L.C.; Prosper Flex Development Partners, L.L.C.; Frisco Wade Crossing Development Partners, L.L.C.; McKinney Executive Suites at Crescent Parc Development Partners, L.L.C.; Right Wing Aviation, L.L.C.; West Main Station, L.L.C.; Shops at West Main Station, L.L.C.; and Cantera Homes, L.L.C.; including bank records, cancelled checks, monthly or periodic statements, deposit slips, and detail documents for those deposits, memoranda of incoming and outgoing wire transfers, any debit and credit memoranda, cashier's check records, any correspondence with banks or financial institutions, and financial books,

ledgers and journals, records documenting the payment or receipt of commissions for sales of securities, interest statements, tax preparation work papers and forms, including IRS tax forms, and evidence identifying the location of any safety deposit boxes.

- (3) Offering memoranda, prospectuses, advertising materials, brochures, subscription agreements, qualification questionnaires, and pamphlets used to solicit securities purchasers in investments in Credit Nation Capital, L.L.C.; Credit Nation Acceptance, L.L.C.; Credit Nation Auto Sales, L.L.C.; American Motor Credit, L.L.C.; Spaghetti Junction, L.L.C.; Texas First Financial, L.L.C.; Primary Urgent Care, L.L.C.; Premier Immediate Care, L.L.C.; Premier One Emergency Care, L.L.C.; Mechanical Motion Solutions, L.L.C.; BNR Real Estate Holdings, L.L.C.; TenList, Inc.; Stamedia, Inc. (a/k/a Stamedia, L.L.C.); Growth Hackers, L.L.C.; Meteora; North-Forty Development, L.L.C.; Texas Cash Cow Investments, Inc.; Christian Custom Homes, L.L.C.; Oklahoma Cash Cow Investments, L.L.C.; Texas Cash Cow of Houston, Inc.; Cash Flow Kings, Inc.; CCMG Real Estate, Inc.; Double Droptine Ranch, L.L.C.; PMC Contractors, Inc.; Texaplex Leasing, L.L.C.; Accelerated Employment Agency, L.L.C.; Prosper Flex Development Partners, L.L.C.; Frisco Wade Crossing Development Partners, L.L.C.; McKinney Executive Suites at Crescent Parc Development Partners, L.L.C.; Right Wing Aviation, L.L.C.; West Main Station, L.L.C.; Shops at West Main Station, L.L.C.; and Cantera Homes, L.L.C.
- (4) Evidence of the purchase of investments in Credit Nation Capital, L.L.C.; Credit Nation Acceptance, L.L.C.; Credit Nation Auto Sales, L.L.C.; American Motor Credit, L.L.C.; Spaghetti Junction, L.L.C.; Texas First Financial, L.L.C.; Primary Urgent Care, L.L.C.; Premier Immediate Care, L.L.C.; Premier One Emergency Care, L.L.C.; Mechanical Motion Solutions, L.L.C.; BNR Real Estate Holdings, L.L.C.; TenList, Inc.; Stamedia, Inc. (a/k/a Stamedia, L.L.C.); Growth Hackers, L.L.C.; Meteora; North-Forty Development, L.L.C.; Texas Cash Cow Investments, Inc.; Christian Custom Homes, L.L.C.; Oklahoma Cash Cow Investments, L.L.C.; Texas Cash Cow of Houston, Inc.; Cash Flow Kings, Inc.; CCMG Real Estate, Inc.; Double Droptine Ranch, L.L.C.; PMC Contractors, Inc.; Texaplex Leasing, L.L.C.; Accelerated Employment Agency, L.L.C.; Prosper Flex Development Partners, L.L.C.; Frisco Wade Crossing Development Partners, L.L.C.; McKinney Executive Suites at Crescent Parc Development Partners, L.L.C.; Right Wing Aviation, L.L.C.; West Main Station, L.L.C.; Shops at West

Main Station, L.L.C.; and Cantera Homes, L.L.C.; including, but not limited to subscription agreements, investment checks, qualification questionnaires, and promissory notes.

- (5) Records which reveal the names and addresses of all persons, employees, officers, agents, affiliates and associates who have engaged in sales of and offers for sale of investments in promissory notes.
- (6) Agency agreements, sales agreements, marketing agreements, commission schedules, and memoranda pertaining to selling of investments in promissory notes.
- (7) Documents evidencing transactions with document delivery services including, but not limited to Federal Express, United Parcel Services, United States Post Office and UPS.
- (8) Corporate records, including memoranda, minutes of meetings, resolutions, books, journals, ledgers, financial statements, tax returns, bank records, escrow agreements, escrow agent communications, trust agreements, insurance policies, leases, invoices, employment contracts, indemnification agreements, releases, disclosure documents, sales contracts, loans, and security agreements.
- (9) Documents, invoices, and any other evidence identifying the location of storage facilities.
- (10) Computers, central processing units (CPU), computer motherboards, printed circuit boards, processor chips, all data drives and/or storage drives, either internal or external, including, but not limited to drives and disks, compact storage disks, optical drives, tape drives, digital video storage disks, Zip drives and Zip drive disks, hard drives, USB drives, and magnetic tape.
- (11) Terminals, video display units, receiving devices, keyboards, mouse, digital scanning equipment, digital cameras, automatic dialers, modems, acoustic couplers and/or direct line couplers, peripheral interface boards, and connecting cables and/or ribbons and/or other peripheral devices not specifically mentioned.

- (12) Computer software, programs, and source documentation, computer logs, diaries, magnetic audio tapes and recorders, digital audio disks and/or recorders, any memory devices such as, but not limited to memory modules, memory chips, and any other form of memory device utilized by the computer or its peripheral devices.
- (13) Records or data produced in various forms, manuals, documents, or instructional material relating to such devices and peripherals, and any and all documentation, written or stored in electronic form relating to Internet service providers, email addresses, passwords, encryption codes, web-sites, and/or other documentation pertaining to the Internet, and any other computer related accessories and/or documentation not specifically mentioned herein.
- (14) Documentation and/or notations referring to the computer, the contents of the computer, the use of the computer or any computer software and/or communications, including, but not limited to machine readable data, all previously erased data, and any communications including but not limited to email, chat capture, captured files, correspondence stored in electronic form, and/or correspondence exchanged in electronic form.
- (15) Financial records, monies, and/or receipts kept as part of obtaining, and/or maintaining said computer; financial and licensing information with respect to the computer software and hardware; other evidence concerning occupancy and control of said premises, including utility and/or company bills, cancelled mail envelopes, photographs, personal identification papers, rent receipts, and keys.
- (16) Communications in electronic or written form, including, but not limited to email residing on any media, including electronic communications held or maintained in electronic storage by an electronic communications service or remote computing service as those services are defined within 18 U.S.C. 2510 and 18 U.S.C. 2711. These communications are referred to as "stored communications." These communications related to this case stored in the suspects' computers or other electronic devices as email. That federal law, which is part of the Electronic Communications Privacy Act, allows interception of such electronic communication pursuant to a search warrant.

(17) Other communications in electronic or written form, including, but not limited to chat capture, capture files, correspondence stored in electronic or written form, and/or correspondence exchanged in electronic or written form as indicative of use in obtaining, maintenance and/or evidence of said offense; all of the above records, whether stored on paper, on magnetic media such as tape, cassette, cartridge, disk, diskette, or on memory storage devices such as optical disks, programmable instruments such as telephones, "electronic address books," or any other storage media, together with indicia of use, ownership, possession, or control of such records.

3. SAID SUSPECTED PLACE AND PREMISES ARE IN CHARGE OF AND CONTROLLED BY THE FOLLOWING PERSON:

Bobby Eugene Guess, a white male whose date of birth is 09/12/1951, and whose Texas driver's license number is 0006008606, and who is listed with the Texas Secretary of State as the registered agent and president of Texas First Financial, L.L.C.

4. IT IS THE BELIEF OF AFFIANT, AND HE HEREBY CHARGES AND ACCUSES, THAT:

Bobby Eugene Guess, doing business as Texas First Financial, L.L.C., has engaged and is engaging in the offer for sale and sale of securities in violation of Section 29 of The Securities Act of Texas, article 581, Tex. Rev. Civ. Stat. Ann. (Vernon 1964 & Supp. 2004), including Section 29.A, 29.B, and 29.C of the Act. Section 29.A makes it a felony for any person to sell or offer for sale a security without being registered with the Securities Commissioner as a securities dealer, salesman or agent. Section 29.B makes it a felony to sell unregistered securities. Section 29.C makes it a felony for any person, in connection with the offer for sale and sale of securities, to engage in fraud or fraudulent practices, or to engage in any act, practice or course of business which operates as a fraud or deceit upon any person, which includes the failure to disclose, in connection with the sale or offer for sale of any security, any material fact; said sales being in an amount of \$10,000.00 or less.

5. AFFIANT HAS PROBABLE CAUSE FOR SAID BELIEF BY REASON OF THE FOLLOWING FACTS:

(1) My name is Letha Louise Sparks. The facts stated in this affidavit are within my personal knowledge and are true and correct. I am employed as an Investigator/Financial Analyst with the Enforcement Division of the Texas State

Securities Board (hereafter the "TSSB"), and I am assigned to the Austin office located at 208 East 10th Street, Fifth Floor, Austin, Texas 78701. I have been continuously employed as such since May, 1998. My job duties include conducting investigations that will prevent or detect violations of the Texas Securities Act, TEX. REV. STAT. ANN. Art 581-1 et seq. (West 2010 & Supp. 2011). In that regard, I investigate allegations of securities fraud; analyze financial transactions as reflected in bank records and other supporting documents; interview investors and company principals; review public securities filings and company offering documents; review investor files and materials, and perform other related duties to determine whether the Texas securities laws have been violated.

(2) I have testified as an expert in financial matters and securities investigatory matters at civil and criminal trials concerning the sources of funds and uses of funds by securities' promoters, sales agents, and/or brokers and the companies they control, and other related securities topics. I am a Certified Public Accountant in the State of Texas and have been since February, 1981. I am also Certified in Financial Forensics by the American Institute of Certified Public Accountants, effective January 31, 2009. I have provided investigative accounting services to the Federal Deposit Insurance Corporation, the Resolution Trust Corporation and various companies and attorneys in civil actions filed or brought in state courts both in Pennsylvania and Texas, and in federal courts in Texas, Pennsylvania and New Jersey. I have also been employed as an Assistant Professor of Accounting at St. Edward's University in Austin, Texas; Southwestern University in Georgetown, Texas; and Temple University in Philadelphia, Pennsylvania. I have further served as an Adjunct Professor of Accounting at Tarleton State University in Stephenville, Texas, and the University of Central Texas in Killeen, Texas.

(3) On or about November 17, 2015, William Mitchell (hereafter "Mitchell"), a financial examiner employed by the TSSB informed me that he was contacted by James Torchia (hereafter "Torchia"). Mitchell stated that he learned that at that time Torchia was the CEO of Credit Nation Capital, LLC (hereafter "Credit Nation"). I learned that Credit Nation, which is located in Woodstock, GA, was sued by the Securities and Exchange Commission (hereafter the "SEC") in the United States District Court, Northern District of Georgia, Atlanta Division, in 2015 in Case Number 1:15-cv-3904-WSD. I have reviewed the pleadings in this lawsuit. The lawsuit alleges that Torchia and Credit Nation raised tens of millions of dollars since 2013 through the sale of unregistered securities, and

accuses Torchia and Credit Nation of operating a massive Ponzi scheme. On April 25, 2016 the company along with related entities was placed into receivership by order of the judge of the U.S. District Court for the Northern Division of Georgia, Atlanta Division.

(4) According to Mitchell, Torchia's purpose in contacting our agency was to provide information regarding a former Director of Credit Nation, Bobby Eugene Guess (hereafter "Guess"). Guess is currently listed as President of Texas First Financial, L.L.C., (hereafter "Texas First Financial"), according to the office of the Texas Secretary of State. Per the Texas First Financial website, www.texas1stfinancial.com, Guess's office is located at 5300 Town and Country Blvd., #190, Frisco, TX 75034. According to the Financial Industry Regulatory Authority, this location is also listed for Superior Retirement Strategies, L.L.C., a Texas registered investment adviser of which Guess' daughter, Melissa Guess Fortenberry (hereafter "Fortenberry"), is the Managing Member and Chief Compliance Officer. The website touts Texas First Financial as a "full-service firm with advisers having over 70 years of combined experience in the financial services industry," with experience in "diversified portfolio," "one-on-one consultations," and "9% [r]eturn on investment." (See Exhibit 1 attached hereto this affidavit and is incorporated herein for all purposes.)

(5) The TSSB subpoenaed invoices and copies of radio spots from various radio outlets including Cumulous Radio which owns the referenced stations listed below. In reviewing this material, it was learned that in addition to the Texas First Financial web site touting investments with a 9% return, Guess is also touting such investments in advertising spots on various radio stations broadcasting in the Dallas-Fort Worth area including WBAP News Talk 820 AM, KLIF News/Information 570 AM, and KESN (ESPN Dallas) 103.3 FM.

(6) Additionally, Guess is holding "Investment Forum & Dinner" seminars in which he is touting investment opportunities offering 9% returns. On June 3, 2016, the TSSB was contacted by a Texas resident (the "reporting party") who informed the agency that he had received an invitation from Texas First Financial to attend a "9% Investment Forum & Dinner" held on Tuesday, April 26, 2016, from 6:30 P.M. to 8:30 P.M., at the office of Texas First Financial located in Frisco, Texas. (See Exhibit 2 attached hereto this affidavit and is incorporated herein for all purposes.)

(7) The reporting party told Mitchell that he attended the seminar on April 26, 2016, which according to the reporting party lasted roughly two and one-half hours and was held at the office of Texas First Financial. According to the reporting party, the seminar was led by Guess and that an individual named Phillip Carter was also present. According to the reporting party there were 20-25 people in attendance and that approximately 90% of the attendees appeared to be of retirement age. The reporting party received a Texas First Financial brochure and a flyer that provided information regarding living trusts. (See Exhibit 3 attached hereto this affidavit and is incorporated herein for all purposes.) The Texas First Financial brochure touts three investments offered by Guess. They include North-Forty Development (hereafter "North-Forty"), Mechanical Motion Solutions and Primary Urgent Care.

(8) A search of North-Forty on the Texas Secretary of State's web site reveals that this company was formed on May 9, 2014. The address listed for this entity is P.O Box 2049, Frisco, TX 75034. Nicholas Nuspl (hereafter "Nuspl") is listed as the registered agent, and Stillwater Trust is listed as a Managing Member. The address for Stillwater Trust is listed as 7002 Lebanon Road, Suite 101, Frisco, Texas 75034. It was later determined that the Lebanon Road address is the office for Phillip Carter (hereafter "Carter") and North-Forty. According to Central Registration Depository (hereafter "CRD"), there appeared to be no current registrations for North-Forty. A recent search in the SEC Edgar database indicated no filings for exemption have been submitted associated with North-Forty.

(9) North-Forty has a website at www.northfortydevelopment.com. The company is described as a real estate development company with three current projects under construction. (See Exhibit 4 attached hereto this affidavit and is incorporated herein for all purposes.) Other entities owned, controlled or associated with Carter include BNR Real Estate Holdings, L.L.C.; Texas Cash Cow Investments, L.L.C.; Oklahoma Cash Cow Investments, L.L.C., Texas Cash Cow of Houston, Inc., Cash Flow Kings, Inc., CCMG Real Estate, Inc., Double Droptine Ranch, L.L.C., PMC Contractors, Inc., Texaplex Leasing, L.L.C., Accelerated Employment Agency, L.L.C., Prosper Flex Development Partners, L.L.C., Frisco Wade Crossing Development Partners, L.L.C., McKinney Executive Suites at Crescent Parc Development Partners, L.L.C., Right Wing Aviation, L.L.C., West Main Station, L.L.C., Shops at West Main Station, L.L.C., and Cantera Homes, L.L.C..

(10) According to Mitchell, the information received from Torchia, suggested Guess was using Texas First Financial to offer and sell similar investment products of Credit Nation, through companies such as Stamedia, Inc. (hereafter "Stamedia"). These investment offerings, which appeared to be in the form of a promissory note, were offered to current Credit Nation investors and to potential new investors. Per the Stamedia website www.stamediagroup.com, Stamedia is an "advertising company that utilizes patented ad technology to respond to online marketing." (See Exhibit 5 attached hereto this affidavit and is incorporated herein for all purposes.)

(11) The TSSB obtained advertising material for Stamedia. The material seemingly appealed to potential investors, with the opportunity to "receive quarterly interest payments equaling 9%," and receive "10% of the loan capital in actual shares of Stamedia." It described the capital investment as "secured by a US Patent" (#8,719,101). The material indicated the notes would be "repaid at the end of three years."

(12) Per the website www.stamediagroup.com, Timothy Booth ("Booth") is listed as a founder and Chairman of the Board of Stamedia. Shawn Sandifer (hereafter "Sandifer") is listed as a co-founder and President of Stamedia. The Stamedia web site describes the company as follows: "Sta is an innovative company that utilizes patented ad technology that is changing the way consumers, advertisers, and publishers view & respond to online marketing across all digital platforms."

(13) There appear to be no current registrations filed under CRD for Booth, Sandifer or Stamedia. A search through the SEC Edgar database suggested no filings for exemption have been executed. Stamedia is currently in existence with the Texas Secretary of State Office, listing Booth as the Chief Executive Officer and Sandifer as the registered agent for Stamedia. Stamedia has shared an address with a second office for Texas First Financial at 5148 Village Creek Drive, Plano, TX 75093.

(14) On January 5, 2016, in my undercover capacity, I visited the www.texas1stfinancial.com website. The contact number 972-570-4444, was displayed on the contact page of the website. I dialed the phone number listed. A receptionist answered acknowledging Texas First Financial. I requested to speak with Guess. The receptionist stated Guess was not available at that time. Alternatively, the receptionist offered another representative of Texas First

Financial named Richard, who I later determined through a meeting with Guess to be Richard Tilford. I spoke with Richard regarding investment opportunities offered by Texas First Financial. Records of the U.S. District Court for the Northern District of Texas, Fort Worth Division, show that on October 26, 2012, in Case Number 4:12-CR-058-BJ(01), Richard Tilford entered a plea of guilty to Count One of a two count federal indictment charging him with a violation of 26 U.S.C. 7203, Failure to File a Tax Return, and was sentenced twelve (12) months imprisonment and was ordered to pay \$453,547.00 in restitution.

(15) I told Richard that my sister had heard Mr. Guess on the radio talking about earning 9% on one's investments and I was interested in learning more about this opportunity. When asked how much I was interested in investing, I told Richard that I had \$50,000 to invest. After I told him this amount, he said that \$50,000 was the minimum investment for the program they had. Richard said that Guess was out of the office at that time due to the fact that his mother-in-law had died just a day or so previously. Richard said that Guess could see me at the Frisco office at 11 a.m. on January 8, 2016. Additionally, I gave Richard my personal email address in order for him to send me some of the documentation describing the type of investment I would be meeting with Guess about.

(16) Following the conversation, later that day I received information along with documents via e-mail from Richard@texas1stfinancial.com. One document seemingly provided from Richard, appeared to be an "agreement" addressing options for repayment. One option addressed the following:

- "Principal shall become due 24 months from the funding date;"
- "Eight simple interest-only payments will be issued on the outstanding Principal amount;"
- "Interest earnings shall be paid on a quarterly basis;" and
- "rate equals nine percent (9%) per annum"

The second option stated the "principal shall become due 12 months from the funding date. No interest is to be paid until principal is due." This option also suggested a rate of 9% per annum.

(17) The entity named on the agreement was North-Forty, with an address of 5300 Town & Country Blvd. #190, Frisco, TX 75034, the same address listed for Guess and Texas First Financial under the records of the office of the Texas Secretary of State. The agreement shows Guess's name as the signatory of North-Forty. According to another document received from Richard, North-Forty is a "diversified real estate company," that currently has "\$200 million worth of development in process."

(18) The articles of formation for North-Forty show Stillwater Trust at 7002 Lebanon Road, Suite 101, Frisco Texas 75034 as the managing member. Based on other sources, that address is listed for Texas Cash Cow Investments, Inc., (hereafter "Texas Cash Cow"). Per the Texas Cash Cow website, www.texascashcowinvestments.com, Texas Cash Cow is listed as a "real estate investment company which ha[s] been providing investors with turn-key wholesale "cash flow" deals for the last 13 years." Phillip Carter ("Carter") is listed as President of Texas Cash Cow. The website did list the same address as North-Forty. According to other sources, Guess offered investments on behalf of Texas Cash Cow to Credit Nation investors and possibly new potential investors.

(19) On Friday, January 8, 2016, I drove to Guess' office located at Texas First Financial, L.L.C., (hereafter "Texas First Financial"), 5300 Town and Country Boulevard, Suite 190, Frisco, Collin County, Texas 75034, for an 11:00 a.m. appointment I had made in an undercover capacity. Guess is listed on the Texas Secretary of State's website as the president of Texas First Financial. I had previously set up the appointment to meet with Mr. Guess through an individual named Richard by way of a phone call to the Texas First Financial office telephone number 972-570-4444.

(20) The purpose of the meeting was to determine what type of investment products Mr. Guess was offering to prospective investors. The agency had received information that indicated Guess was actively offering promissory note investments on behalf of several companies operating in the Frisco area. I had already reviewed some of these offerings through the review of documentation provided by investors who had conducted business with Guess which was received by the TSSB.

(21) I arrived at Guess' office shortly before 11:00 A.M. Initially upon entering Suite 190, I was greeted by a receptionist. I noticed a computer sitting on the

receptionist's desk. The receptionist walked me into Guess's office, which was at the end of the right-hand side of a hallway that appears to run the entire length of the office suite. There are several individual offices and one large conference room that I saw as I was led to Guess's office. Guess indicated that we would sit and talk in his office. I noticed a computer and a large credenza with file cabinet type drawers in the office. I placed a small purse that held the recorder (which I had already turned to record before entering the office suite) beside me on the seat of the sofa.

(22) Guess had a file folder with my undercover name on it that contained several documents. During the meeting Guess produced these documents as he discussed the various investment opportunities that he was offering. There were brochures about the companies he was offering, and a several-page blank promissory note for each of the investments that he was offering.

(23) Guess first presented me with information about North-Forty through the introduction of a glossy-printed brochure about the company. I had received a copy of this brochure from Richard prior to the meeting that was attached to the introduction letter he had sent to my email.

(24) Guess made a number of claims associated with this offering of a promissory note with North-Forty. Guess said that he likes this investment because he (Texas First Financial) holds 49% of the deeds on the property, which he said would protect my investment "dollar for dollar." According to Guess, North-Forty holds the other 51% of the deeds. Guess stated that North-Forty was building light industrial buildings. He discussed several potential development projects that he said were in the beginning stages of development locally in the Frisco area. Guess touted the local area's population growth and potential. Guess said that North-Forty doesn't hold onto the buildings for any significant amount of time. "It's buy, build, and sell" according to Guess and move on to the next project. When I asked how he could be assured that the company could sell it for enough to pay off the notes, Guess stated that the company has 1/3 to 50% of the project pre-sold before ever breaking ground. Guess said that by the time 1/3rd of the project is sold, "we're actually even."

(25) The next investment that Guess touted was an urgent care center in New York, named Primary Urgent Care. According to Guess, the parent company of the urgent care center is Fortus Group. Guess said that Fortus is a big dialysis company. Guess said "we're" building little ER units, family ER units and

where “we’re” building them there’s no competition. Guess said this company’s notes are backed with preferred stock of Fortus. When asked if Fortus was a private company, he admitted that it is, but assured that the company is a large private company, is written up in Forbes and Fortune magazines, etc. They’re one of the 2,000 biggest companies in America, per Guess.

(26) Guess still suggested that North-Forty was a better investment because of the properties being built and that the notes are backed 3-1 and sometimes as high as 9-1 because they don’t hold onto the properties. He said that he gets to go through the books every quarter to make sure the companies are doing well. Guess had a brochure on Texas Cash Cow Investments, L.L.C., and indicated that the Texas Cash Cow name was somewhat problematic in some people’s minds so that’s why the name of Texas Cash Cow was changed to “North Forty Development.” He gave me the Texas Cash Cow brochure and said he liked this brochure about the company and it’s the same company with a different name now.

(27) Mechanical Motion Solutions was the third investment Guess discussed and was described as a company that has a chiropractic tool that it sells and promotes. According to Guess, the company is based out of Pittsburgh and is a \$110 million company and not a startup company.

(28) Guess then discussed Stamedia, which is supposed to have an application available on the I-phone that allows a user to go to one application that allows you to search the internet for a particular product you are interested in, a shoe for example, and with the application you can find every store that carries the same shoe and compare the prices without having to browse individual web sites. According to Guess, Stamedia has a patent for this application, and the company has contracts with AT&T, Home Depot, Channel 8 (WFAA), Ford Motor Company to sell them the application. According to Guess Stamedia’s patent is valued at \$30 million. Guess also stated that Stamedia was buying a new company called Meteora and after the purchase, Stamedia would be worth \$85 million.

(29) Guess gave me a 2-page loan agreement for Stamedia when he was touting the benefits of investing in promissory notes with private companies. This loan agreement provides that the loan is either denominated as being for 36-months, interest at 9% per annum if paid quarterly, or interest at 10% per annum, if the interest is not paid until the end of the term of the loan. In addition to the

promissory note, investors are also promised (by contract, copy provided by Guess) that the investor will receive common stock in Stamedia, calculated as 5% of the loan amount, based upon \$1.00/share as the value of the shares, which will then generate a specific number of shares to be awarded. Guess told me in the undercover visit that TenList, Inc. (hereafter "TenList") is the parent company to Stamedia.

(30) According to Guess, he provided seed money to Stamedia in the amount of \$300,000.00 to help them to develop; he stated that he owns a small percentage of the company, as well. He discussed membership on the Stamedia Advisory Board, including the head of an ad agency that does the Chick-Fil-A ads. Per Guess, Stamedia will pay you a 5% bonus on top of the 9% annually for a 3-year note. Guess stated the minimum investment for Stamedia as well as the other programs we discussed was \$50,000.00.

(31) Guess told me that he indirectly controls each of the companies he touts by looking at their books every quarter, and he can loan them money to bail them out if he needs to if they get themselves in trouble, but at the same time he's going to ask for more ownership if he has to bail them out.

(32) I told Guess that I thought I needed to read over the materials he had given me, digest the information, and then figure out what I'm going to do. I asked Guess if I could have the copies of the documents that he had shown me and he agreed to let me take them with me so I could look them over. In closing, Guess said that if I had any questions I should feel free to call. The visit occurred over about an hour's time and I left at about noon. (See Exhibit 6 attached hereto this affidavit and is incorporated herein for all purposes.)

(33) In addition to interviewing Mr. Guess in an undercover capacity and being solicited by him to invest in promissory notes offered by these companies, I have also analyzed numerous bank and financial documents relating to Mr. Guess, Texas First Financial, Stamedia, Inc., TenList, Inc., Premier Immediate Care, L.L.C., Stamedia principals Booth and Sandifer, and Carter and Carter's various companies, including North-Forty, and Texas Cash Cow. I have prepared statements on the "Sources and Uses of Funds," including the use of investor monies, based upon the aforementioned banking records and documents.

(34) Subsequent to my first meeting with Guess, the TSSB subpoenaed bank

records covering the period of July 1, 2015 through the end of January 2016 with regards to the Stamedia entity and its predecessor company, TenList. On Monday, March 7, 2016, we received a response to our subpoena from Chase Bank related to banking records for the period of July 1, 2015, through January 29, 2016, for Stamedia; TenList; Booth; Sandifer. We received about 1800 pages of documents, including bank statements, transaction documents; car loan documents; and credit card statements. I analyzed these records in their entirety. The following is a summary of some of my findings.

(35) TenList is a company that has been in existence for some time, although at the time of my analysis, it did not seem to be actively engaging in the business that it was initially formed to do. TenList supposedly had a computer program that permitted individuals to sign up to offer their home improvement services in a particular geographic service area. If a homeowner requested someone to install a sprinkler system, the service would provide ten names of individuals and companies who had been pre-checked and that could service the area where the home was located. The individuals whose names were on the list had paid a fee to TenList to be included in the service listing offering. Then the company that provided the listing to the homeowner paid some type of monthly service fee, also to TenList. This is how TenList generated monthly income from the use of this service by the companies offering the listing and from individuals or companies who paid to be listed as offering these types of services in a particular geographic area.

(36) TenList opened a checking account (#6152) and a savings account (#6117) at Chase in May 2007 and opening account documents indicate incorporation documents are dated May 11, 2007. Both Booth and Sandifer are signatories on these accounts. The savings account has been inactive with a balance forward of \$5.16 since before July 1, 2015 and continuing to January 29, 2016. The main TenList checking account was still in use at the time of my analysis.

(37) Account activities by TenList analyzed for this period show the payment of interest and note principal to at least 32 note investors who had previously invested with TenList. Some interest payments are made to IRA administrative companies as a lump sum transfer, with a notation that a listing of the accounts to be credited will be provided in a separate transmittal.

(38) The payments to TenList investors are possible because Stamedia investor dollars are transferred into the TenList Chase account 6152, then TenList remits