

Cause Number 11-CR- 3241-B

THE STATE OF TEXAS § IN THE
§
VS. § 117th DISTRICT COURT
§
WILLIAM ERIK BYRNE § NUECES COUNTY, TEXAS

FELONY INFORMATION

In the Name and by the Authority of the State of Texas:

Now comes, Angela D. Cole and Michael J. Sullivan, Special Assistant District Attorneys of the County of Nueces, State of Texas, on behalf of said State, presents in the District Court for the 105th Judicial District of said County, at the instanter Term, 2011, of said Court, that heretofore, and anterior to the filing of this criminal information, in the County of Nueces and State of Texas,

One WILLIAM ERIK BYRNE, on or about the following dates listed below, did then and there, sell and offer for sale securities issued by Waverider International, LLC, to wit: investment contracts, promissory notes and evidence of indebtedness, to each of the persons listed below and in the following amounts:

| <u>Person</u> | <u>Date</u> | <u>Amount</u> |
|------------------------------------|-------------|---------------|
| Bruce M. & Janette A. Henderson | 12/13/2006 | \$33,333.33 |
| Bruce M. Henderson | 01/16/2007 | \$30,000.00 |
| Bruce M. Henderson | 02/05/2007 | \$33,333.33 |
| Bruce M. Henderson | 03/20/2007 | \$ 3,333.33 |
| Denise Walker (Brittney Inv., LLC) | 05/10/2007 | \$35,000.00 |
| Denise Walker (Brittney Inv., LLC) | 08/27/2007 | \$25,000.00 |
| Bruce Henderson | 01/14/2008 | \$40,000.00 |
| Bruce Henderson | 01/16/2008 | \$30,000.00 |
| Bruce Henderson | 02/01/2008 | \$15,000.00 |
| Bruce Henderson | 02/14/2008 | \$10,000.00 |
| Bruce Henderson | 08/28/2008 | \$12,000.00 |
| Bruce Henderson | 10/07/2008 | \$12,000.00 |
| Denise Walker | 01/22/2009 | \$25,000.00 |
| Denise Walker | 03/09/2009 | \$35,000.00 |
| David or Brenda Currey | 08/14/2009 | \$30,000.00 |
| James M. Grohman | 04/07/2009 | \$20,000.00 |
| TOTAL | | \$388,999.99 |

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

2011 NOV 17 P 32
CLERK OF DISTRICT COURT
NUECES COUNTY TEXAS

Paragraph One

Intentionally failing to disclose that on or about March 10, 2005, the Defendant, William Erik Byrne, agreed to enter a Cease and Desist Order with the Texas State Securities Board, in Order Number ENF-05-CDO-1584, styled In the Matter of William Erik Byrne, ordering Byrne to cease and desist from (i) offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Securities Act; (ii) from acting as a securities dealer or agent in Texas until Respondent is registered with the Securities Commissioner or is acting pursuant to an exemption from regulation under the Texas Securities Act; and (iii) from acting as an investment advisor in Texas until Respondent is registered as an investment advisor with the Securities Commissioner, said information being a material fact; and/or

Paragraph Two

Intentionally failing to disclose that on or about October 29, 2008, the Commissioner of Insurance of the State of Texas issued a consent order in Order No. 08-0921, against William Erik Byrne, 500 North Shoreline, Suite 701-N, Corpus Christi, Texas 78471 based on findings that Byrne engaged in the unauthorized business of insurance, as defined in Tex. Ins. Code Ann. Ch. 101, and was ordered to pay an administrative penalty of \$10,000 (ten thousand dollars); said information being a material fact; and/or

Paragraph Three

Intentionally failing to disclose that investors in prior investment programs offered and sold by the Defendant had not received payments in accordance with the terms of their respective contracts with Pinecrest Farms, Ceewhya Farms, Inc., Hampton Insurance Company, Stonegate Management Company, Consortium Service Management Group, Inc., Global Entertainment, LLC, and RMB Entertainment, LLC; said information being a material fact

AGAINST THE PEACE AND DIGNITY OF THE STATE.



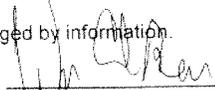
Angela B. Cole
Special Assistant District Attorney
Nueces County, Texas

Cause Number 11-CR- 3241B

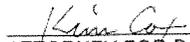
THE STATE OF TEXAS § IN THE
 § 117th DISTRICT COURT
VS. § NUECES COUNTY, TEXAS
WILLIAM ERIK BYRNE §

WAIVER OF INDICTMENT

NOW COMES WILLIAM ERIK BYRNE, defendant herein, accused of the non-capital felony offense of Securities Fraud and represented by his attorney and having been advised by his attorney and by the Court of his rights and the nature of the charge against him and his right not to be tried in this case except on the indictment of a Grand Jury, hereby in open Court and in writing voluntarily and knowingly waives his right to be prosecuted by a Grand Jury indictment and announces his election and consent to be charged by information.



DEFENDANT



ATTORNEY FOR DEFENDANT

ORDER

On this _____ day of _____, the above-named defendant having appeared before me with his attorney in open Court, and the defendant having been fully advised of his rights and the nature of the charge against him and that he has a right to be prosecuted by indictment by a Grand Jury, the defendant intelligently, voluntarily, and knowingly waived such right and the defendant and his attorney signed the foregoing written instrument in open Court, and the Court hereby approves the waiver of indictment and approves prosecution in this case by information.

JUDGE PRESIDING

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CLERK
COUNTY CLERK
NUECES COUNTY
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P. 3:37

NO 11-CR-3841-B

STATE OF TEXAS vs. WILLIAM ERIK BYRNE
IN THE 117TH DISTRICT COURT

NUECES COUNTY, TEXAS

JUDICIAL CONFESSION & STIPULATION

I, WILLIAM ERIK BYRNE, am the Defendant in the above styled and numbered cause. My attorney is KIM COX. Mr. Cox has investigated the facts and circumstances surrounding my case, discussed those with me, and advised me of possible defenses. I am satisfied with my attorney's representation. I am pleading guilty to the offense of SECURITIES FRAUD because I am guilty. My plea is freely, voluntarily, knowingly, and intelligently given.

On this day in open Court, I, WILLIAM ERIK BYRNE, waive my right against self-incrimination and hereby judicially confess that on or about the dates listed below, I did then and there, sell and offer for sale securities issued by Waverider International, LLC, to wit: investment contracts, promissory notes and evidence of indebtedness, to each of the persons listed below and in the following amounts:

| <u>Person</u> | <u>Date</u> | <u>Amount</u> |
|------------------------------------|-------------|--------------------|
| Bruce M. & Janette A. Henderson | 12/13/2006 | \$33,333.33 |
| Bruce M. Henderson | 01/16/2007 | \$30,000.00 |
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| David or Brenda Currey | 08/14/2009 | \$30,000.00 |
| James M. Grohman | 04/07/2009 | <u>\$20,000.00</u> |
| | TOTAL | \$388,999.99 |

and I, WILLIAM ERIK BYRNE, committed securities fraud in connection with the sale and offer for sale of said securities by:

Paragraph One

Intentionally failing to disclose that on or about March 10, 2005, the Defendant, William Erik Byrne, agreed to enter a Cease and Desist Order with the Texas State Securities Board, in Order Number ENF-05-CDO-1584, styled In the Matter of William Erik Byrne, ordering Byrne to cease and desist from (i) offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Securities

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STATE OF TEXAS
CLERK OF DISTRICT COURT
NUECES COUNTY

Act; (ii) from acting as a securities dealer or agent in Texas until Respondent is registered with the Securities Commissioner or is acting pursuant to an exemption from regulation under the Texas Securities Act; and (iii) from acting as an investment advisor in Texas until Respondent is registered as an investment advisor with the Securities Commissioner, said information being a material fact; and/or

Paragraph Two

Intentionally failing to disclose that on or about October 29, 2008, the Commissioner of Insurance of the State of Texas issued a consent order in Order No. 08-0921, against William Erik Byrne, 500 North Shoreline, Suite 701-N, Corpus Christi, Texas 78471 based on findings that Byrne engaged in the unauthorized business of insurance, as defined in Tex. Ins. Code Ann. Ch. 101, and was ordered to pay an administrative penalty of \$10,000 (ten thousand dollars); said information being a material fact; and/or

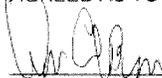
Paragraph Three

Intentionally failing to disclose that investors in prior investment programs offered and sold by the Defendant had not received payments in accordance with the terms of their respective contracts with Pinecrest Farms, Ceewhya Farms, Inc., Hampton Insurance Company, Stonegate Management Company, Consortium Service Management Group, Inc., Global Entertainment, LLC, and RMB Entertainment, LLC; said information being a material fact

I hereby agree and stipulate that the facts contained in this instrument and its attached exhibits, if any, are true and correct.

Signed this 14 day of ^{November} ~~October~~ 2011.

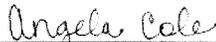
AGREED AS TO FORM AND SUBSTANCE:



WILLIAM ERIK BYRNE
5646 Martinique
Corpus Christi, Texas, 78413



KIM COX,
Attorney for Defendant Byrne
701 Ayers Street,
Corpus Christi, Texas 78404



Angela Cole,
Special Assistant District Attorney-Nueces Co.
Texas State Securities Board
606 N. Carancahua, Suite 803
Corpus Christi, Texas 78401