

FILED

DEC - 5 2012

Donna Trumble Pitt
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Clerk District Court, Hood County, Texas

INDICTMENT NO. CR12356

355TH JUDICIAL DISTRICT OF TEXAS

STATE OF TEXAS

OFFENSES: Aggregated Theft of Property,
\$200,000.00 or more; Sec. 31.03 Texas Penal
Code

VS. EDDIE LACY STIVERS, III

DEGREE: First Degree Felony

DATE OF BIRTH: 06-06-63

[REDACTED]

TRN NO. _____

SID NO. 05304877

DATE FILED: 12-05-2012

STATE'S WITNESSES: Robert Young
Joseph Oman

AMOUNT OF BAIL: \$ 25000⁰⁰
12-7-12

STATE'S ATTORNEY: Dale R. Barron

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

The Grand Jurors for the County of Hood, State of Texas, duly selected, impaneled, sworn, charged, and organized as such at the July Term 2012, of the 355th Judicial District Court of Hood County, Texas, upon their oaths present in and to the Court that on or about the dates listed below, and before the presentment of this indictment, in Hood County, Texas, that EDDIE LACY STIVERS, III, hereafter referred to as defendant, did then and there unlawfully appropriate, to wit: acquire and exercise control over property, other than real property, to wit: current money of the United States of America, from the following owners, and in the following amounts:

<u>Owner</u>	<u>Date of Appropriation</u>	<u>Amount of Appropriation</u>
Philemon Strahm	June 9, 2005	\$4,000.00
Philemon Strahm	June 25, 2005	\$5,550.00
Philemon Strahm	June 29, 2005	\$5,500.00

IMAGED
POSTED

James & Sharon Quirk	October 13, 2005	\$15,000.00
J.D. Hall	February 27, 2006	\$3,500.00
Philemon Strahm	March 17, 2006	\$2,000.00
Sean Rekemeyer	June 9, 2006	\$3,000.00
James A. Crowe	June 10, 2006	\$15,000.00
James A. Crowe	July 31, 2006	\$1,775.00
E.C. Goodman, Jr.	August 24, 2006	\$15,000.00
James & Sharon Quirk	December 1, 2006	\$2000.00
Timothy A. Crowe	December 18, 2006	\$10,000.00
Jerry D. Crowe	December 29, 2006	\$11,500.00
William Darin Crowe	December 29, 2006	\$2,500.00
Gloria C. Burton	January 4, 2007	\$20,000.00
Kathy M. Mobly	March 11, 2007	\$10,000.00
John T. Bunn	March 13, 2007	\$50,000.00
Hiram Wayne Keating	May 21, 2007	\$25,000.00
Philemon Strahm	May 30, 2007	\$1,000.00
Tim Rothenbush	June 4, 2007	\$10,000.00
Philemon Strahm	July 30, 2007	\$20,000.00
Fred A. Oberlender	August 30, 2007	\$50,000.00
Thomas D. Murphy, III	November 16, 2007	\$\$10,000.00
David Blankenship	January 28, 2008	\$10,000.00
Brian W. Loving	March 3, 2008	\$10,000.00
Donald W. Loving	March 3, 2008	\$10,000.00

William C. Smartt	March 3, 2008	\$20,000.00
Peni Gardner	July 17, 2008	\$10,000.00
Theodore B. Harp, Jr.	July 27, 2008	\$15,000.00
Theodore B. Harp, Sr.	July 28, 2008	\$15,000.00
Christel R. Laughlin	August 14, 2008	\$10,000.00
David L. Block	August 28, 2008	\$9,875.51
Theodore B. Harp, Jr.	October 3, 2008	\$25,000.00
Tony Blevel	November 11, 2008	\$30,000.00
Dodd Meadows	February 12, 2009	\$10,000.00
Dodd Meadows	April 2, 2009	\$15,000.00
Aimee Coker	November 10, 2009	\$1,000.00
Aimee Coker	November 22, 2009	\$9,000.00
Eugene Torode	December 9, 2009	\$5,000.00
Aimee Coker	March 10, 2010	\$6,500.00
Evelyn Joseph	April 22, 2010	\$20,000.00
Gay Hudson	June 22, 2010	\$5,000.00
James Roberts	August 31, 2010	\$10,000.00
Jacob Hutchings	January 4, 2011	\$10,000.00
Sherri Lyn Reynolds	February 11, 2011	\$5,000.00

And said appropriations were without the effective consent of said owners in that consent was induced by deception, to wit: 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 that the defendant did not believe to be true; and 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 that said defendant did not at the time believe to be true; and said Defendant promised performance that was likely to affect the judgment of said owners in the transactions that the 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 and for so extended a period of time that a major portion of the value and enjoyment of said property was lost to said owners, and 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 TWO

And it is further presented in and to said Court that EDDIE LACY STIVERS, III, hereafter referred to as defendant, did then and there offer for sale and sell financial agreements for the purchase and issuance of stock in Patriot Holding Company and Patriot Insurance Company, and to participate in the profits of any affiliate of Patriot Holding Company, being securities, to wit: investment contracts and pre-organization certificates and shares of stock, to each of the persons listed below, and in the following amounts:

<u>Person</u>	<u>Date</u>	<u>Amount</u>
David Blankenship	January 28, 2008	\$10,000.00
Tony Bleuel	November 11, 2008	\$30,000.0
David L. Brock	August 28, 2008	\$9,875.51
John T. Bunn	March 13, 2007	\$50,000.00

Gloria C. Burton	January 4, 2007	\$20,000.00
Aimee Coker	November 10, 2009	\$1,000.00
Aimee Coker	November 22, 2009	\$9,000.00
Jane A. Crowe	June 10, 2006	\$15,000.00
Jane A. Crowe	July 31, 2006	\$1,775.00
Jerry D. Crowe	December 29, 2006	\$11,500.00
Timothy A. Crowe	December 18, 2006	\$10,000.00
William Darin Crowe	December 29, 2006	\$2,500.00
Peni Gardner	July 17, 2008	\$10,000.00
E.C. Goodman, Jr.	August 24, 2006	\$15,000.00
Theodore B. Harp, Jr.	July 27, 2008	\$15,000.00
Theodore B. Harp, Jr.	October 3, 2008	\$25,000.00
Theodore B. Harp, Sr.	July 28, 2008	\$15,000.00
Hiram Wayne Keating	May 21, 2007	\$25,000.00
Charles R. Laughlin	August 14, 2008	\$10,000.00
Brian W. Loving	March 3, 2008	\$10,000.00
Donald W. & Mary Loving	March 3, 2008	\$10,000.00
Dodd Meadows	February 12, 2009	\$10,000.00
Kathy M. Mobly	May 11, 2007	\$10,000.00
Thomas D. Murphy, III	November 16, 2007	\$10,000.00
Fred A. Oberlender	August 30, 2007	\$50,000.00
James A. & Sharon Quirk	October 13, 2005	\$15,000.00
James A. & Sharon Quirk	December 1, 2006	\$2,000.00

Sean Rekemeyer	January 9, 2006	\$3,000.00
Tim Rothenbush	June 4, 2007	\$10,000.00
William C. Samrtt	March 3, 2008	\$20,000.00
Philemon Strahm	June 9, 2005	\$4,000.00
Philemon Strahm	June 25, 2005	\$5,500.00
Philemon Strahm	June 29, 2005	\$5,500.00
Philemon Strahm	March 17, 2006	\$2,000.00
Philemon Strahm	May 30, 2007	\$1,000.00
Philemon Strahm	July 30, 2007	\$20,000.00
Eugene Torode	December 9, 2009	\$5,000.00

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

PARAGRAPH ONE

intentionally failing to disclose that the defendant, doing business as Stivers & Associates had failed to pay previous investors funds that were due and owing to them and that the defendant failed to issue shares of stock to previous investors who were sold financial agreements for the purchase and issuance of stock in Patriot Insurance Company, said information being material fact; and

PARAGRAPH TWO

intentionally failing to disclose that funds contributed by investors in the purchase of financial agreements for the purchase and issuance of stock in Patriot Holding Company and Patriot Insurance Company were used to pay the personal expenses of the defendant and his wife, said information being material fact; and

PARAGRAPH THREE

knowingly and intentionally misrepresenting that purchasers of financial agreements for the purchase and issuance of stock in Patriot Holding Company and Patriot Insurance Company would be refunded their principal investment and interest thereon in the event projected returns on their investments failed to materialize within a time certain, said information being a relevant fact; and

PARAGRAPH FOUR

knowingly and intentionally misrepresenting to purchasers of financial agreements for the purchase and issuance of stock in Patriot Holding Company that their funds would be held in an escrow account until the minimum subscription of 1,000,000 shares for the subscription price of \$10,000,000 was sold, and if less than the minimum number of shares were sold, subscribers would receive a refund of their principal investment together with interest actually earned on amounts, held on deposit for more than fifteen (15) days, said information being relevant facts;

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

COUNT THREE

And it is further presented in and to said Court that EDDIE LACY STIVERS, III, hereafter referred to as defendant, did then and there offer for sale and sell promissory notes issued by Insurance Choice One, L.L.C., being securities, to wit; notes and evidences of indebtedness, to each of the persons listed below, and in the following amounts:

The defendant on or about January 4, 2011, offered for sale and sold to Jacob Hutchings a promissory note issued by Insurance Choice One, L.L.C.. the defendant's company, in the amount of \$10,000.00.00, the terms of which provided that Jacob Hutchings would receive the return of his

principal within four months of the date of said promissory note along with a 1% equity position in the gross receipts of Insurance Choice One, L.L.C.; and,

the defendant on or about June 22, 2010, offered for sale and sold to Gay Hudson a promissory note issued by Insurance Choice One, L.L.C., the defendant's company, in the amount of \$5,000.00.00, the terms of which provided that Gay Hudson would receive the return of her principal within six months of the date of said promissory note along with interest calculated at 18% per annum; and,

the defendant on or about April 2, 2009, offered for sale and sold to Dodd Meadows a note issued by the defendant in the amount of \$9,000.00.00, the terms of which provided that Dodd Meadows would receive the return of his principal within eight weeks from the date of said note along with interest calculated at 6% per annum; and,

the defendant on or about March 9, 2010, offered for sale and sold to Aimee Coker a promissory note issued by the defendant and The Patriot Holdings in the amount of \$6,500.00.00, the terms of which provided that Aimee Coker would receive the return of her principal along with interest calculated at 18% per annum once and until The Patriot Insurance Company, the defendant's company, was fully funded and operational; and,

the defendant on or about April 22, 2010, offered for sale and sold to Evelyn Joseph a financial agreement with a balloon payment, also described therein as a note, in the amount of \$20,000.00, the terms of which provided that Evelyn Joseph would receive a total of \$30,000.00 paid to her within 120 days from the date of the note; and,

the defendant on or about February 11, 2011, offered for sale and sold to Sherri Lyn Reynolds a promissory note issued by Insurance Choice One, L.L.C., in the amount of \$5,000.00, the terms of which provided that Sherri Lynn Reynolds would receive the return of her principal along with interest calculated at 18% per annum, within one year from the date of said promissory note; and,

the defendant on or about August 31, 2010, offered for sale and sold to James Roberts an Installment Promissory Note with Balloon Payment issued by Eddie L. Stivers and Insurance Choice One, L.L.C., in the amount of \$10,000.00, the terms of which provided that James Roberts would earn accrued monthly compound interest at the rate of 1.5% per month;

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

PARAGRAPH ONE

intentionally failing to disclose that the defendant, doing business as Stivers & Associates had failed to pay previous investors funds that were due and owing to them and that the defendant failed to issue shares of stock to previous investors who were sold financial agreements for the purchase and issuance of stock in Patriot Insurance Company, said information being material fact; and

PARAGRAPH TWO

intentionally failing to disclose that funds contributed by investor in the purchase of financial agreements for the purchase and issuance of stock in Patriot Holding Company and Patriot Insurance Company were used to pay the personal expenses of the defendant and his wife, said information being material fact; and

PARAGRAPH THREE

knowingly and intentionally misrepresenting that purchasers of financial agreements for the purchase and issuance of stock in Patriot Holding Company and Patriot Insurance Company would be refunded their principal investment and interest thereon in the event projected returns on their investments failed to materialize within a time certain, said information being a relevant fact; and

PARAGRAPH FOUR

knowingly and intentionally misrepresenting to purchasers of financial agreements for the purchase and issuance of stock in Patriot Holding Company that their funds would be held in an escrow account until the minimum subscription of 1,000,000 shares for the subscription price of \$10,000,000 was sold, and if less than the minimum number of shares were sold, subscribers would receive a refund of their principal investment together with interest actually earned on amounts, held on deposit for more than fifteen (15) days, said information being relevant facts;

And all of said amounts were obtained under one scheme and continuing course of conduct, and the aggregate amount that was obtained was \$10,000.00 or more but less than \$100,000.00;

COUNT FOUR

And it is further presented in and to said Court that the defendant, EDDIE LACY STIVERS, III, knowingly acquired an interest in and possessed the proceeds of criminal activity, to wit: current money of the United States of America, 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, and the commission of fraud in connection with the sale of securities in an amount of \$100,000.00 or more, a felony under the laws of the State of Texas;

Against the peace and dignity of the State.


FOREPERSON OF THE GRAND JURY