

KUNAPP

DEFENDANT Christopher Anthony Zaal

CHARGE Securities Fraud > \$100K,
Art. 581 Sec. 29(c) Texas
Securities Act

Person ID: 381062, 2014-8926

ADDRESS 704 Park Lane Drive, McKinney, Texas 75070

CAUSE# 219-82023-2014

DESCRIPTION W/M/DOB: 02/22/1960, 5ft. 9 in, 170 lbs, haz/blk

AGENCY# State Securities Board

ARREST INFORMATION GJR

C/C money laundering > \$200K

Witness: Joseph P. Oman

TRUE BILL OF INDICTMENT

IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS: The Grand Jury of Collin

County, State of Texas, duly organized at the July Term, A.D., 2014 of the 416th

District Court of said county, in said court at said term, do present that

Christopher Anthony Zaal, hereinafter referred to as "defendant"

on or about the dates listed below, and before the presentment of this indictment, in Collin County, Texas, did then and there directly and through agents, sell and offer for sale investments in "Term Certain Purchase Contracts" and "Term Certain Portfolios" issued by Jerald Green and Wealth Systems International, Ltd., and Delgreene Financial Services, L.L.C., being securities, to wit: investment contracts, notes and evidences of indebtedness to each of the persons listed below, and in the following amounts:

<u>PERSON</u>	<u>DATE</u>	<u>AMOUNT</u>
Brock Thomason	May 16, 2005	\$40,000.00
Lauretta Lewis	August 2, 2005	\$86,000.00
Carol Metzler	October 13, 2005	\$48,973.09
Lyle Metzler	November 4, 2005	\$25,222.00
Carol and Lyle Metzler	November 15, 2005	\$74,911.68
Michelle Thomason	November 30, 2005	\$10,000.00
Martin Hind	February 15, 2006	\$35,000.00
Vikki Minadeo	March 15, 2006	\$500,000.00
Josefa Pedraza	June 30, 2006	\$31,492.00
Maureen Rund	August 15, 2006	\$151,550.00

Lyle Metzler	August 31, 2006	\$16,500.00
Carol Metzler	August 31, 2006	\$10,000.00
Melissa Yarbrough (Quintanilla)	September 13, 2006	\$48,612.35
Michael Saylor	September 28, 2006	\$111,434.94
Alazada M. Jackson	December 12, 2006	\$22,250.00
Jane M. Ashton	July 2, 2007	\$51,497.35
Gussie Body	August 24, 2007	\$60,957.85
Linda Tedesco	October 12, 2007	\$500,000.00
Brenda C. Lewis	October 17, 2007	\$100,000.00
Martin Hind	March 24, 2008	\$29,373.51
Martin Hind	May 22, 2008	\$30,715.88
Wendy Castle	June 3, 2008	\$29,845.72
Eddie Mullins	June 9, 2008	\$18,671.42
Lewis Rhone	September 15, 2008	\$7,321.00
Lydia Knight	September 15, 2008	\$42,917.00
Ralph Knight	September 26, 2008	\$29,896.00
Judy Gibson	September 26, 2008	\$30,431.00
Carol Metzler	August 2, 2009	\$69,144.63
Lyle Metzler	August 27, 2009	\$62,451.55

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 was not and has never been registered as an agent, dealer, or investment advisor authorized to sell and offer for sale securities by the Securities Commissioner for the State of Texas; said information being material fact; and

PARAGRAPH TWO

knowingly and intentionally representing that funds invested by investors in Term Certain Purchase Contracts and Term Certain Portfolios issued by Jerald Green and Wealth Systems International, Ltd., and Delgreene Financial

Services, L.L.C. were insured and secured against loss through policies of insurance; said information being a misrepresentation of a relevant fact; and

PARAGRAPH THREE

intentionally failing to disclose that prior investment programs sold by the defendant, including, but not limited to programs issued by Yucatan Resorts, S.A., Yucatan Resorts, S.A. de C.V., and Resort Holdings International, Inc., had not performed as promised and that defendant's clients who were sold interests in such programs had experienced significant losses of their investments; said information being material fact; and

PARAGRAPH FOUR

intentionally failing to disclose that on or about September 5, 2007, the United States Securities and Exchange Commission filed a lawsuit in the United States District Court for the Northern District of Illinois, Eastern Division, in case number 07C-4979, styled *United States Securities and Exchange Commission, Plaintiff v. Michael E. Kelly; Michael P. Kelly; Donald L. Kelly; John L. Corwin; Corporativo Nola, S.A. de C.V.; Resort Holdings International (RHI) S.A.; Panarama Communities, S.A.; World Phantasy Tours, Inc. (Viajes Y Fantasia Por el Mundo, S.A., also d/b/a Majesty Travel; Galaxy Properties Management, S.A.; Yucatan Resorts, S.A. de C.V.; Resort Holdings International, S.A. de C.V.; Mark Ruttenberg; Ruttenburg and Associates Financial Marketing, Inc.; Mark G. Meyer; Mark Meyer and Associates, Inc.; Richard E. Riner; Southwest Income Marketing, Inc.; George Phelps, also d/b/a American Investment Management group, Inc.; American Elder Group, L.L.C.; Carl Q. Lee; Carl Lee and Associates, Inc.; Roy D. Higgs; Warren T. Chambers; William K. Boston, Jr.; Century Estate Planning, Inc.; Defendants; and Avanti Motor Corporation and DMK Properties, L.L.C., Relief Defendants* alleging that the defendants named in said lawsuit committed violations of the federal securities laws in connection with the investment programs offered by the defendants to investors throughout the United States; said information being a material fact; and

PARAGRAPH FIVE

intentionally failing to disclose that on or about April 23, 2008, a lawsuit was filed in the 393rd Judicial District Court of Denton County, Texas, in cause number 2008-60122-393 styled *Linda Rae Tedesco and Lucille W. Shriver v. Timothy Ryan McKenna, Individually, Christopher A. Zaal, Individually and D/B/A/ Wealth Administrative Services, L.L.C. and DBA Southwest Financial Group Affiliate of Wyncrest Group, Inc., and D/B/A Signature Holding group, L.L.C., Jerrald M. Green, Individually and D/B/A/ Delgreene Development Company, L.L.C. and D/B/A Delgreene Credit Services, L.L.C., Wealth Systems International, WSI Holdings Denver Trust D/B/A WSI Holdings and Valiance Bank* alleging that the defendants, in connection with transactions between the defendants and the plaintiffs committed breach of contract, fraud and violations of the Texas Deceptive Trade Practices Act; said information being a material fact; and

PARAGRAPH SIX

intentionally failing to disclose that on or about May 7, 2009, the defendant received notice from the Texas Department of Insurance of the department's intent to bring disciplinary action against the defendant, including the revocation of the defendant's license to sell insurance in the state of Texas, based upon allegations that the defendant committed acts of forgery and engaged in fraudulent and dishonest acts and practices in connection with the defendant's offering of investments in the form of universal leases issued by Resort Holdings International and Yucatan Resorts, S.A. to his insurance clients; said information being a material fact; and

PARAGRAPH SEVEN

intentionally failing to disclose that on or about October 6, 2006, the defendant submitted an annuity application to Annuity Investors Life Insurance Company (AILIC) in the name of Robert Weyman dated September 5, 2006, and said application and the accompanying documentation thereto contained forgeries of Robert Weyman's signature, and said application and the accompanying documentation thereto were submitted to AILIC without the knowledge or permission of Robert Weyman; said information being material fact; and

PARAGRAPH EIGHT

intentionally failing to disclose that on or about November 15, 2006, the defendant submitted an annuity application to Annuity Investors Life Insurance Company (AILIC) in the name of Edward Winn, Sr., dated November 9, 2006, and said application and the accompanying documentation thereto contained forgeries of Edwin Winn Sr.'s signature, and said application and the accompanying documentation thereto were submitted to AILIC without the knowledge or permission of Edwin Winn, Sr.; said information being material 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;

Against the peace and dignity of the State.


FOREPERSON OF THE GRAND JURY

FILED

14 AUG 26 PM 5: 22

ANDREA STROH THOMPSON
DISTRICT CLERK
COLLIN COUNTY, TEXAS
BY B. Pender DEPUTY

DEFENDANT Christopher Anthony Zaal
Person ID: 381062, 2014-8927

* UNAPP
CHARGE Money Laundering > \$200K,
TPC 34.02, F1

ADDRESS 704 Park Lane Drive, McKinney, Texas 75070

CAUSE# 219-82022-2014

DESCRIPTION W/M/DOB: 02/22/1960, 5ft 9 in, 170 lbs, haz/blk AGENCY/# State Securities Board

ARREST INFORMATION GJR

C/C Securities fraud > \$100K

Witness: Joseph P. Oman

TRUE BILL OF INDICTMENT

IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS: The Grand Jury of Collin County, State of Texas, duly organized at the July Term, A.D., 2014 of the 416th

District Court of said county, in said court at said term, do present that

Christopher Anthony Zaal, hereinafter referred to as "defendant"

on or about and between the dates of March 31, 2005, and September 30, 2009, and before the presentment of this indictment, in Collin County, Texas, and elsewhere, did then and there

knowingly acquire an interest in and possess 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 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.

Michael E. Lovey
Foreperson of the Grand Jury

FILED

14 AUG 26 PM 5: 22

ANDREA STROH THOMPSON
DISTRICT CLERK
COLLIN COUNTY, TEXAS
BY *B. Rhoads* DEPUTY