

<p>District Court, Adams County, Colorado  1100 Judicial Center Drive  Brighton, CO 80601</p> <hr/> <p>PEOPLE OF THE STATE OF COLORADO,  Plaintiff  v.  STANLEY FENTON ANDERSON, DOB 9/2/1973  Defendant</p>	<p style="text-align: right;">FILED IN ADAMS COUNTY  COMPTROLLER'S OFFICE  JUN 02 2018.</p> <p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>JOHN W. SUTHERS, Attorney General  MICHAEL J. BELLIPANNI,  Senior Assistant Attorney General*  1525 Sherman Street, 7th Floor  Denver, CO 80203  (303) 866-3416  Registration Number: 24421  *Counsel of Record</p>	<p>Case No.:  <b>11CR1530</b>  Division:  <b>T</b></p>
<p><b>COLORADO STATE GRAND JURY INDICTMENT</b></p>	

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|-----------------------------|---|
| COUNT ONE:<br>(Ames)        | SECURITIES FRAUD, § § 11-51-501(1)(b) and<br>11-51-603(1) C.R.S. (Class 3 Felony) {50052} |
| COUNT TWO:<br>(Arndt)       | SECURITIES FRAUD, § § 11-51-501(1)(b) and<br>11-51-603(1) C.R.S. (Class 3 Felony) {50052} |
| COUNT THREE:<br>(Arnold)    | SECURITIES FRAUD, § § 11-51-501(1)(b) and<br>11-51-603(1) C.R.S. (Class 3 Felony) {50052} |
| COUNT FOUR:<br>(Berkley)    | SECURITIES FRAUD, § § 11-51-501(1)(b) and<br>11-51-603(1) C.R.S. (Class 3 Felony) {50052} |
| COUNT FIVE:<br>(Childs)     | SECURITIES FRAUD, § § 11-51-501(1)(b) and<br>11-51-603(1) C.R.S. (Class 3 Felony) {50052} |
| COUNT SIX:<br>(Galvan)      | SECURITIES FRAUD, § § 11-51-501(1)(b) and<br>11-51-603(1) C.R.S. (Class 3 Felony) {50052} |
| COUNT SEVEN:<br>(Carnes)    | SECURITIES FRAUD, § § 11-51-501(1)(b) and<br>11-51-603(1) C.R.S. (Class 3 Felony) {50052} |
| COUNT EIGHT:<br>(Garramone) | SECURITIES FRAUD, § § 11-51-501(1)(b) and<br>11-51-603(1) C.R.S. (Class 3 Felony) {50052} |

COUNT NINE: SECURITIES FRAUD, § § 11-51-501(1)(b) and  
(Givan) 11-51-603(1) C.R.S. (Class 3 Felony) {50052}

COUNT TEN: SECURITIES FRAUD, § § 11-51-501(1)(b) and  
(Hamilton) 11-51-603(1) C.R.S. (Class 3 Felony) {50052}

COUNT ELEVEN: SECURITIES FRAUD, § § 11-51-501(1)(b) and  
(Kunie) 11-51-603(1) C.R.S. (Class 3 Felony) {50052}

COUNT TWELVE: SECURITIES FRAUD, § § 11-51-501(1)(b) and  
(Love) 11-51-603(1) C.R.S. (Class 3 Felony) {50052}

COUNT THIRTEEN: SECURITIES FRAUD, § § 11-51-501(1)(b) and  
(Manzanares) 11-51-603(1) C.R.S. (Class 3 Felony) {50052}

COUNT FOURTEEN: SECURITIES FRAUD, § § 11-51-501(1)(b) and  
(Marshall) 11-51-603(1) C.R.S. (Class 3 Felony) {50052}

COUNT FIFTEEN: SECURITIES FRAUD, § § 11-51-501(1)(b) and  
(Nakayama-Hiraki) 11-51-603(1) C.R.S. (Class 3 Felony) {50052}

COUNT SIXTEEN: SECURITIES FRAUD, § § 11-51-501(1)(b) and  
(Rozman) 11-51-603(1) C.R.S. (Class 3 Felony) {50052}

COUNT SEVENTEEN: SECURITIES FRAUD, § § 11-51-501(1)(b) and  
(Staton) 11-51-603(1) C.R.S. (Class 3 Felony) {50052}

COUNT EIGHTEEN: SECURITIES FRAUD, § § 11-51-501(1)(c) and  
(All Investors) 11-51-603(1) C.R.S. (Class 3 Felony) {50053}

COUNT NINETEEN: THEFT, §18-4-401(1)(b)(2)(d) C.R.S.  
(All Investors) (Class 3 Felony) {801V }

DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO 1437 Bannock Street Denver, CO 80202	
PEOPLE OF THE STATE OF COLORADO,  v.  STANLEY FENTON ANDERSON, DOB 9/2/1973 Defendant.	▲ COURT USE ONLY ▲
JOHN W. SUTHERS, Attorney General MICHAEL J. BELLIPANNI, Senior Assistant Attorney General* 1525 Sherman Street, 7th Floor Denver, CO 80203 (303) 866-3416 Registration Number: 24421 *Counsel of Record	Case No.: 10CR0001
COLORADO STATE GRAND JURY INDICTMENT	

Of the 2010-2011 term of the Denver District Court in the year 2011; the 2010-2011 Colorado State Grand Jurors, chosen, selected and sworn in the name and by the authority of the People of the State of Colorado, upon their oaths, present the following:

ESSENTIAL FACTS

Stanley Fenton Anderson (hereafter, ANDERSON) provided tax services to individual clients and owned and operated Standerson Mortgage and Financial Corp., as well as several other businesses including: Standerson Trucking, Cowboy Cleaners, Elk Horn Management, Stockyard Properties, Flyway Properties, and Dirt Posse Motorsports. Beginning in or about January 2006 and through January 2009, ANDERSON solicited money from investors individually, as well as by and through Standerson Mortgage and Financial Corp. During this time, ANDERSON solicited approximately thirty people in Colorado, who invested approximately three million dollars. ANDERSON solicited investors residing in Denver, Adams, Larimer, Douglas, and Weld Counties. ANDERSON operated Standerson Mortgage and Financial Corp. from his offices in Thornton and Commerce City, Colorado, both located in Adams County. The investments offered by ANDERSON promised high rates of return. ANDERSON solicited

investments premised upon the representation that the funds would be used for his businesses. ANDERSON told some investors their funds would be used to offer high interest loans, and to purchase trucks for his trucking company. Primarily, however, ANDERSON told investors that he would use investment funds for the purchase of real estate at a discount from banks or property owners; the properties would then be rented out or sold for large returns. ANDERSON promised investors returns of up to 35% on their investments. Investor funds were used by ANDERSON for personal expenses and to pay back previous investors.

ANDERSON solicited and accepted individual investments both directly and indirectly. Most investors received a "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, which promised to pay the investor the principal plus interest rates of up to thirty five percent per year. Most investors were promised monthly interest payments with the promise to pay the full principal at the end of the term, upon a "due date," usually twelve months up to sixty months, from the date of investment. ANDERSON also provided a stock certificate to at least one investor. In soliciting investors, ANDERSON made material untrue statements and omissions of material facts.

The investments offered and sold by ANDERSON, both individually, and by and through Standerson Mortgage and Financial Corp. and related entities, evidenced in part by the "Combination Promissory Note, Security Agreement, and Disclosure Statements," and stock certificates, constitute "securities" pursuant to § 11-51-201(17) C.R.S., and as such, are subject to the provisions of the Colorado Securities Act.

ANDERSON represented that the invested funds would be used for working capital as well as the purchase of real estate and the purchase of trucks for his trucking business, thereby creating assets for his businesses. ANDERSON did not complete the real estate purchases as represented. ANDERSON did not complete the truck purchases as represented. ANDERSON used the funds in a manner inconsistent with his representations to investors, failing to acquire the assets as represented to investors.

ANDERSON did not disclose to investors that he needed their investment funds to pay other investors. ANDERSON used collected investor funds to make monthly "interest payments" to investors. Anderson failed to disclose to investors that he used, or was using investor funds for the purpose of making the payments to investors.

ANDERSON failed to disclose the financial status of Standerson Mortgage and Financial Corp., his associated businesses, and himself. In and between January 2006 and through January 2009, ANDERSON represented himself as a successful businessman whose companies generated substantial profits. ANDERSON did not tell investors that his business income and assets were insufficient to cover his business expenses. ANDERSON failed to disclose to investors that he used or was using investor funds to cover business losses as well as investor payments.

ANDERSON did not disclose to investors that he had diverted investor funds for his own personal use or benefit. Anderson used over seven hundred fifty thousand dollars (\$750,000) of collected investor funds for personal expenses.

ANDERSON did not disclose to investors that he had filed for bankruptcy. ANDERSON filed for Chapter 13 bankruptcy in February of 1997, in Utah. The bankruptcy was dismissed in February of 1998. ANDERSON also filed for Chapter 7 bankruptcy in April of 1998, in New Mexico, the bankruptcy was discharged in August of 1998. ANDERSON failed to disclose to investors these previously filed bankruptcies.

ANDERSON failed to disclose the risks of the investments. Anderson provided no offering document to investors which disclosed the true or potential risks of his investment scheme. ANDERSON guaranteed the safety of the investment principal indicating that it was backed by the assets of Standerson Mortgage and Finance Corp. and his associated businesses. ANDERSON indicated to the investors that their investment principal was safe and could be returned within a reasonable amount of time upon the investors' request. ANDERSON promised payment of the entire amount of principal and interest upon the due date. ANDERSON failed to disclose to investors that he and his associated companies were not in a financial position to make such promises.

ANDERSON engaged in acts, practices and a course of business designed to defraud investors in and between June 2005, and through March 2009. ANDERSON continued to solicit, accept, and hold investor funds, knowing that his business enterprises were insufficient to generate the promised returns. ANDERSON used investor funds to pay other investors and continued to make material misstatements and omissions to the investors after their initial investments; inducing investors to make subsequent investments and encouraging them to promote the investment scheme to their families and friends. ANDERSON furthered these acts practices and course of business by inducing investors to "reinvest" or "roll over" their investment capital, rather than paying off the investor's principal, on the date the principal was due. ANDERSON continued the course of business by

revising the interest rate of many of the outstanding investments in September and October of 2008 to reduce his monthly interest payments, and subsequently seeking to extend the terms and revise the interest rates again in February and March of 2009. These resulting business practices operated as a fraud or deceit upon investors in Standerson Mortgage and Finance Corp. and ANDERSON'S associated businesses.

COUNT ONE  
Securities Fraud – F3

On and between January 5, 2007 and May 30, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Archie and Janna Ames directly or indirectly, unlawfully, feloniously, and willfully made an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado, and as more fully set out below:

The offense in Count One of this Indictment was committed in the following manner:

1. ANDERSON offered Archie and Janna Ames an investment opportunity through Standerson Mortgage. ANDERSON represented that Archie and Janna Ames' investment would be used as working capital for Standerson Mortgage and Financial Corp. and ANDERSON's associated businesses, and would be repaid in full with interest. Archie and Janna Ames decided to accept ANDERSON's offer and on or about January 5, 2007 provided to ANDERSON a check for one hundred forty two thousand dollars (\$142,000) to be invested in Standerson Mortgage and Financial Corp. and ANDERSON's associated businesses. In return, ANDERSON provided to Archie and Janna Ames, in Colorado, a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Archie and Janna Ames' principal at the termination of the agreement on the "final payment" date of January 5, 2012, and b) to make 60 monthly interest payments on the invested principal at the annual percentage rate of 35%, for a total return of one hundred ninety one thousand seven hundred dollars (\$191,700) to Archie and Janna Ames.

2. Subsequently, ANDERSON asked Archie and Janna Ames if they would be interested in investing additional money with ANDERSON. Archie and Janna Ames agreed, and on January 29, 2007, provided ANDERSON with another check for an additional ninety three thousand dollars (\$93,000). ANDERSON provided to Archie and Janna Ames another promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of two hundred thirty five thousand dollars (\$235,000) from the Ames', and signed by ANDERSON, promising: a) to repay Archie and Janna Ames' principal at the termination of the agreement on the "Due Date," of January 5, 2012, and b) to make 60 monthly interest payments on the total invested principal at the annual percentage rate of 35%, for three hundred seventeen thousand two hundred fifty dollars (\$317,250) in total payments to Archie and Janna Ames.
3. In May of 2007, ANDERSON approached Archie and Janna Ames again and asked if they would be interested in investing more money with ANDERSON. Archie and Janna Ames agreed, and on May 24, 2007, provided ANDERSON with an additional one hundred fifty one thousand dollars (\$151,000). ANDERSON provided to Archie and Janna Ames another promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of three hundred eighty six thousand dollars (\$386,000) from the Ames', and signed by ANDERSON, promising: a) to repay Archie and Janna Ames' principal at the termination of the agreement on the "Due Date," of May 5, 2012, and b) to make 60 monthly interest payments on the total invested principal at the annual percentage rate of 35%, for a total return of five hundred twenty one thousand one hundred dollars (\$521,100) to Archie and Janna Ames.
4. In April of 2008, ANDERSON again approached Archie and Janna Ames and asked if they would be interested in investing additional money with ANDERSON to purchase real estate. Archie and Janna Ames said that they would, and on April 25, 2008, provided ANDERSON with an additional thirty five thousand dollars (\$35,000). In exchange for the investment, ANDERSON promised to repay Archie and Janna Ames' principal as well as 35% annual interest.
5. In May of 2008, ANDERSON approached Archie and Janna Ames and again asked if they would be interested in investing additional money to purchase real estate. Archie and Janna Ames agreed, and on May 30, 2008, provided ANDERSON with an additional thirty thousand

dollars (\$30,000). ANDERSON provided to Archie and Janna Ames another promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of four hundred fifty one thousand dollars (\$451,000) from the Ames', and signed by ANDERSON, promising: a) to repay Archie and Janna Ames' principal at the termination of the agreement on the "Due Date," of May 5, 2013, and b) to make 60 monthly interest payments on the total invested principal at the annual percentage rate of 35%, for a total return of six hundred eight thousand eight hundred fifty dollars (\$608,850) to Archie and Janna Ames.

6. In connection with the sale of these securities to Archie and Janna Ames, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

## COUNT TWO

### Securities Fraud – F3

On or about August 27, 2007, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Alexander Arndt, directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Two of this Indictment was committed in the following manner:

1. ANDERSON offered Alexander Arndt an investment opportunity through Standerson Mortgage. ANDERSON represented that Alexander Arndt's investment would be used to purchase real estate and would be repaid in full with interest. Alexander Arndt decided to accept ANDERSON'S offer and on or about August 27, 2007, transferred and caused to be transferred fifty thousand dollars (\$50,000) into ANDERSON'S account to be invested in real estate. ANDERSON provided to Alexander Arndt a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of fifty thousand dollars (\$50,000) from Alexander Arndt, and signed by ANDERSON, promising: a) to

repay Alexander Arndt's principal at the termination of the agreement on the "Due Date," of September 27, 2008, and b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%, for a total return of sixty five thousand dollars (\$65,000) to Alexander Arndt.

2. In connection with the sale of this security to Alexander Arndt, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT THREE  
Securities Fraud – F3

On or about April 23, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Lucy Arnold directly or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Three of this Indictment was committed in the following manner:

1. ANDERSON offered Lucy Arnold an opportunity to invest in Standerson Mortgage, and by and through ANDERSON, individually. ANDERSON, represented that Lucy Arnold's investment would be repaid in full plus interest. Lucy Arnold decided to accept ANDERSON's offer and on or about April 23, 2008, provided to ANDERSON a check for forty thousand dollars (\$40,000). In exchange for the investment, ANDERSON promised to repay Lucy Arnold's principal as well as 30% annual interest. ANDERSON provided to Lucy Arnold a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of forty thousand dollars (\$40,000) from Lucy Arnold, and signed by ANDERSON, promising: a) to repay Lucy Arnold's principal at the termination of the agreement on the "Due Date," of April 24, 2009, and b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%, for a return amount of fifty two thousand dollars (\$52,000) to Lucy Arnold.

2. In July of 2008, ANDERSON again approached Lucy Arnold and asked if she would be interested in investing additional money with ANDERSON. Lucy Arnold said that she would, and on July 7, 2008, provided ANDERSON with an additional twenty thousand dollars (\$20,000). In exchange for the investment, ANDERSON promised to repay Lucy Arnold's principal as well as 30% annual interest. ANDERSON provided to Lucy Arnold a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of sixty thousand dollars (\$60,000) from Lucy Arnold, and signed by ANDERSON, promising: a) to repay Lucy Arnold's principal at the termination of the agreement on the "Due Date," of July 24, 2009, and b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%, for total return to Lucy Arnold of seventy eight thousand dollars (\$78,000).
3. In connection with the sale of this security to Lucy Arnold, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT FOUR  
Securities Fraud – F3

On and about February 22, 2007, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to James and Rebecca Berkley, directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Four of this Indictment was committed in the following manner:

1. ANDERSON offered James and Rebecca Berkley an investment opportunity through Standerson Mortgage. ANDERSON represented that James and Rebecca Berkley's investment would be used to purchase real estate, and would be repaid in full with interest. James

and Rebecca Berkley decided to accept ANDERSON's offer and on or about February 22, 2007, provided to ANDERSON a check for two hundred forty thousand dollars (\$240,000) to be invested with ANDERSON and Standerson Mortgage and Financial Corp. In return, ANDERSON provided to James and Rebecca Berkley, in Colorado, a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay James and Rebecca Berkley's principal at the termination of the agreement on the "final payment" date of February 22, 2012, and b) to make 60 monthly interest payments on the invested principal at the annual percentage rate of 35%, for three hundred twenty four thousand dollars (\$324,000) in total payments.

2. In connection with the sale of this security to James and Rebecca Berkley, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

#### COUNT FIVE

#### Securities Fraud – F3

On or about and between June 5, 2006 and April 7, of 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to William and Carolyn Childs, directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Five of this Indictment was committed in the following manner:

1. ANDERSON offered William and Carolyn Childs an investment opportunity through Standerson Mortgage. ANDERSON represented that William and Carolyn Childs' investment would be repaid in full with interest. William and Carolyn Childs decided to accept ANDERSON's offer and on or about June 5, 2006 provided to ANDERSON a check for fifty thousand dollars (\$50,000) to be invested in Standerson Mortgage and Financial Corp. and ANDERSON'S

associated businesses. In return, ANDERSON promised to repay the full amount of the principal plus interest.

2. William and Carolyn Childs were subsequently asked if they would be interested in investing additional money with ANDERSON. William and Carolyn Childs agreed, and on April 7, of 2008, provided ANDERSON with another check for an additional ten thousand dollars (\$10,000) to be used for investment purposes.
3. In connection with the sale of these securities to William and Carolyn Childs, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT SIX  
Securities Fraud – F3

On and about May 22, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Jose Galvan directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Six of this Indictment was committed in the following manner:

1. ANDERSON offered Jose Galvan an investment opportunity through Standerson Mortgage. ANDERSON represented that Jose Galvan's investment would be used as working capital for Standerson Mortgage and Financial Corp. and ANDERSON's associated businesses, and would be repaid in full with interest. Jose Galvan decided to accept ANDERSON's offer and on or about May 22, 2008, provided to ANDERSON two checks totaling thirty thousand dollars (\$30,000) to be invested in Standerson Mortgage and Financial Corp. and ANDERSON's associated businesses. In return, ANDERSON provided to Jose Galvan, in Colorado, a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Jose Galvan's principal at the termination of the agreement and b) to make 12 monthly

interest payments on the invested principal at the annual percentage rate of 30%, for thirty nine thousand dollars (\$39,000) in total payments.

2. In connection with the sale of these securities to Jose Galvan, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

### COUNT SEVEN

#### Securities Fraud – F3

About and between March 28, 2007, and June 9, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Maria Garcia, Manuel Garcia and Ronald Carnes directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Seven of this Indictment was committed in the following manner:

1. Maria Garcia met ANDERSON through his tax preparation business. ANDERSON expressed interest in, and eventually purchased real estate from Maria Garcia. As part of the real estate transaction, ANDERSON offered Maria Garcia an opportunity to invest in Standerson Mortgage and Financial Corp. ANDERSON represented that Maria Garcia's investment would be repaid in full with interest. Maria Garcia decided to accept ANDERSON'S offer and on or about March 28, 2007, provided back to ANDERSON thirty thousand dollars (\$30,000) of the real estate purchase to be invested in Standerson Mortgage and Financial Corp. and ANDERSON's associated businesses. In return, ANDERSON provided to Maria Garcia, in Colorado, a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," promising to repay Maria Garcia's total principal and interest.
2. In June of 2007, ANDERSON again approached Maria Garcia and asked if she would be interested in investing additional money with

ANDERSON. Maria Garcia said that she would, and on June 8, 2007, provided ANDERSON with a check for an additional twenty thousand dollars (\$20,000). In exchange for the investment, ANDERSON promised to repay Maria Garcia's principal as well as interest on the investment.

3. In November of 2007, ANDERSON again approached Maria Garcia and asked if she would be interested in investing additional money with ANDERSON. Maria Garcia said that she would, and on November 9, 2007 provided ANDERSON with another check in the amount of ten thousand dollars (\$10,000). In exchange for the investment, ANDERSON promised to repay Maria Garcia's principal as well as interest on the investment. ANDERSON provided to Maria Garcia a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Maria Garcia's principal at the termination of the agreement on the "Due Date," of November 9, 2008, and b) to make 12 monthly interest payments on the total invested principal, for thirteen thousand dollars (\$13,000) in total payments.
4. In March of 2008, ANDERSON again approached Maria Garcia and asked if she would be interested in investing additional money with ANDERSON. Maria Garcia said that she would, and on March 3, 2008 provided ANDERSON with another check in the amount of thirty thousand dollars (\$30,000). In exchange for this investment, ANDERSON promised to repay Maria Garcia's principal as well as interest on the investment. ANDERSON provided to Maria Garcia a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Maria Garcia's principal, and b) to make monthly interest payments, for forty four thousand four hundred dollars (\$44,400) in total payments.
5. In April of 2007, Maria Garcia offered to sell ANDERSON property owned by her and her brother in law, Ronald Carnes. ANDERSON offered to buy the property and asked if Maria Garcia and Ronald Carnes would be interested in accepting an investment note from ANDERSON, in lieu of earnest money. Maria Garcia and Ronald Carnes agreed, and on April 16, 2007, accepted a promissory note from ANDERSON in the amount of ten thousand dollars (\$10,000), in lieu of earnest money on the purchase of the property. In exchange for the investment, ANDERSON promised to repay Maria Garcia and Ronald Carnes' principal as well as interest on their investment.

6. In December of 2007, ANDERSON again approached Maria Garcia and Ronald Carnes and asked if they would be interested in investing additional money with ANDERSON. Maria Garcia and Ronald Carnes agreed, and on December 7, 2007 provided ANDERSON with an additional ten thousand dollars (\$10,000). In exchange for this investment, ANDERSON promised to repay Maria Garcia and Ronald Carnes' principal as well as interest on the investment. ANDERSON provided them with a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging a total investment from Maria Garcia and Ronald Carnes of twenty thousand dollars (\$20,000), signed by ANDERSON, promising: a) to repay Maria Garcia and Ronald Carnes' principal at the termination of the agreement on the "Due Date," of December 9, 2008, and b) to make 12 monthly interest payments on the principal, for twenty nine thousand six hundred dollars (\$29,600) in total payments.
7. June of 2008, ANDERSON again approached Maria Garcia and asked if she would be interested in investing additional money with ANDERSON. Maria Garcia and her husband Manuel Garcia agreed, and on June 9, 2008, Manuel Garcia provided ANDERSON with an additional twenty thousand dollars (\$20,000). In exchange for the investment, ANDERSON promised to repay Maria and Manuel Garcia's principal as well as interest on the investment. ANDERSON provided to Maria and Manuel Garcia a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) Provide Maria and Manuel Garcia with an additional five thousand dollars (\$5,000), b) to repay Maria and Manuel Garcia's principal at the termination of the agreement on the "Due Date," of June 9, 2009, and c) to make 12 monthly interest payments on the principal, for thirty seven thousand dollars (\$37,000) in total payments.
8. In connection with the sale of these securities to Maria Garcia, Manuel Garcia, and Ronald Carnes, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT EIGHT  
Securities Fraud – F3

On and about February 11, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any

security to Lisa Garramone directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Eight of this Indictment was committed in the following manner:

1. ANDERSON, directly and indirectly through William Kunie, offered Lisa Garramone an opportunity to invest with Standerson Mortgage. ANDERSON represented that Lisa Garramone's investment would be used to purchase trucks for ANDERSON'S related business entities, and would be repaid in full with interest. Lisa Garramone decided to accept ANDERSON's offer and on or about February 11, 2008, caused to be issued three separate checks totaling approximately twenty two thousand five hundred forty five dollars (\$22,545) to be invested in Standerson Mortgage and Financial Corp. and ANDERSON's associated businesses. In return, ANDERSON provided to Lisa Garramone, in Colorado, a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Lisa Garramone's principal at the termination of the agreement on the "Due Date," of February 11, 2009, b) to pay interest on the invested principal monthly, beginning March 11, 2008, at the rate of 30% per year, and c) to provide total payments of twenty nine thousand two hundred fifty dollars (\$29,250) to Lisa Garramone.
2. In connection with the sale of the securities to Lisa Garramone, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT NINE  
Securities Fraud – F3

On and about June 4, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Gary Givan directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of

the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Nine of this Indictment was committed in the following manner:

1. ANDERSON offered Gary Givan an opportunity to invest with Standerson Mortgage. ANDERSON represented that Gary Givan's investment would be used for the purchase of an apartment complex, and would be repaid in full with interest. Gary Givan decided to accept ANDERSON's offer and on or about June 4, 2008, gave ANDERSON approximately twenty five thousand dollars (\$25,000) in to be invested in Standerson Mortgage and Financial Corp. and ANDERSON's associated businesses. In return, ANDERSON provided to Gary Givan, in Colorado, a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Gary Givan's principal at the termination of the agreement on the "Due Date," of June 4, 2009, b) to pay interest on the invested principal monthly, beginning July 4, 2008, at the rate of 30% per year, and c) to provide total payments of thirty two thousand five hundred dollars (\$32,500) to Gary Givan.
2. In connection with the sale of these securities to Gary Givan, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

#### COUNT TEN

#### Securities Fraud – F3

About and between May 22, 2008 and September 17, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Gregg Hamilton directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Ten of this Indictment was committed in the following manner:

1. ANDERSON offered Gregg Hamilton an opportunity to invest in real estate through Standerson Mortgage, and ANDERSON, individually. ANDERSON represented that Gregg Hamilton's investment would be repaid in full with interest. Gregg Hamilton decided to accept ANDERSON's offer and on or about May 22, 2008, provided to ANDERSON a check for one hundred thousand dollars (\$100,000) to be invested in Standerson Mortgage and Financial Corp. and ANDERSON's associated businesses. In return, ANDERSON provided to Gregg Hamilton, in Colorado, a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Gregg Hamilton's principal at the termination of the agreement on the "final payment" date of May 22, 2009; b) to make 12 monthly interest payments on the invested principal at the annual percentage rate of 30%, and c) to provide one hundred thirty thousand dollars (\$130,000) in total payments to Gregg Hamilton.
2. Subsequently, Gregg Hamilton was asked if he would be interested in investing additional money with ANDERSON for real estate. Gregg Hamilton agreed, and on June 30, 2008, provided ANDERSON with a check for an additional eighty thousand dollars (\$80,000). ANDERSON provided to Gregg Hamilton another promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of one hundred eighty thousand dollars (\$180,000) from Gregg Hamilton, and signed by ANDERSON, promising: a) to repay Gregg Hamilton's principal at the termination of the agreement on the "Due Date," of June 22, 2009; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 35%, and c) to provide two hundred forty three thousand dollars (\$243,000) in total payments to Gregg Hamilton.
3. In September of 2008, ANDERSON approached Gregg Hamilton again and asked if he would be interested in investing additional money with ANDERSON. Gregg Hamilton agreed, and on September 17, 2008, provided ANDERSON with an additional five thousand dollars (\$5,000). ANDERSON provided to Gregg Hamilton another promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of one hundred ninety thousand two hundred fifty dollars (\$190,250) from

Gregg Hamilton, and signed by ANDERSON, promising: a) to repay Gregg Hamilton's principal on and before the termination of the agreement on the "Due Date," of October 22, 2013; b) to make monthly payments at the annual percentage rate of 20%; and c) to provide two hundred twenty eight thousand three hundred dollars (\$228,300) in total payments to Gregg Hamilton.

4. In connection with the sale of these securities to Gregg Hamilton, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT ELEVEN  
Securities Fraud – F3

About and between January 26, 2007, and September 26, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to William and Betty Kunie directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Eleven of this Indictment was committed in the following manner:

William Kunie of Elizabeth, Colorado first hired ANDERSON to prepare Kunie's taxes. Over time ANDERSON earned William Kunie's trust and began to solicit Kunie to invest. ANDERSON represented to Kunie that ANDERSON could provide a better return on Kunie's retirement funds than the pension plan Kunie was enrolled in. Kunie retired in 2005, collected his retirement funds and provided them to ANDERSON. In return, ANDERSON provided William Kunie with a stock certificate on March 1, 2006, granting Kunie 49,000 shares in Standerson Mortgage and Financial Corp. This relationship between Kunie and ANDERSON provided the basis of William and Betty Kunie's investments in Standerson Mortgage, ANDERSON individually, and ANDERSON'S related entities.

1. ANDERSON offered William Kunie and his mother, Betty Kunie, an opportunity to invest by and through ANDERSON in Standerson

Mortgage. ANDERSON represented that William and Betty Kunie's investments would be used to purchase real estate as well as to support ANDERSON'S associated businesses, and would be repaid in full with interest. William and Betty Kunie decided to accept ANDERSON's offer and agreed to invest approximately one hundred eighty thousand five hundred dollars (\$180,500) in approximately eight transactions, about and between January 26, 2007, and September 26, 2008. In return, ANDERSON provided to William and Betty Kunie, in Colorado, promissory notes signed by ANDERSON, promising: a) to repay William and Betty Kunie's principal at the termination of the agreement on the "Due Date," and, b) to pay interest on the invested principal monthly, at various rates between 20% and 35% per year. The investments made by the Kunie's are as follows:

- a) On or about November 23, 2007, Betty Kunie invested approximately twenty thousand dollars (\$20,000), ANDERSON provided Betty Kunie with a promissory note, promising monthly payments and an annual return rate of 30%.
- b) On or about April 9, 2008, Betty Kunie invested an additional twenty thousand dollars (\$20,000), ANDERSON provided Betty Kunie with a promissory note, acknowledging receipt of Betty Kunie's previous investment funds and promising monthly payments and an annual return rate of 30% on the total invested principal.
- c) On or about August 8, 2008, Betty Kunie again invested approximately twenty thousand dollars (\$20,000), ANDERSON provided Betty Kunie with a promissory note, acknowledging receipt of Betty Kunie's previous investment funds and promising monthly payments and an annual return rate of 30% on the total invested principal.
- d) On January 26, 2007, William and Betty Kunie invested approximately thirty thousand dollars (\$30,000), ANDERSON provided William and Betty Kunie with a promissory note, acknowledging receipt of William and Betty Kunie's previous investment funds and promising monthly payments and an annual return rate of 35% on the total invested principal.
- e) On September 26, 2007, William and Betty Kunie invested approximately twenty nine thousand five hundred dollars (\$29,500), ANDERSON provided William and Betty Kunie with a promissory note, acknowledging receipt of William and Betty Kunie's previous investment funds and promising monthly payments and an annual return rate of 35% on the total invested principal.

- f) On May 1, 2008, William and Betty Kunie invested approximately twenty six thousand dollars (\$26,000), ANDERSON provided William and Betty Kunie with a promissory note, acknowledging receipt of William and Betty Kunie's previous investment funds and promising monthly payments and an annual return rate of 35% on the total invested principal.
  - g) On June 5, 2008, William and Betty Kunie invested approximately five thousand dollars (\$5,000), ANDERSON provided William and Betty Kunie with a promissory note, acknowledging receipt of William and Betty Kunie's previous investment funds and promising monthly payments and an annual return rate of 35% on the total invested principal.
  - h) On September 26, 2008, William Kunie invested approximately thirty thousand dollars (\$30,000), ANDERSON provided William Kunie with a promissory note, acknowledging receipt of William Kunie's previous investment funds and promising monthly payments and an annual return rate of 20% on the total invested principal.
2. In connection with the sale of these securities to William and Betty Kunie, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWELVE  
Securities Fraud – F3

About and between January 21, 2008 and April 23, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Lisa Love directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Twelve of this Indictment was committed in the following manner:

1. In January of 2008, ANDERSON offered Lisa Love an opportunity to invest in real estate through Standerson Mortgage. ANDERSON, represented that Lisa Love's investment would be repaid in full plus interest. Lisa Love decided to accept ANDERSON's offer and on or about January 21, 2008, provided to ANDERSON a combination of credit card advances and a check for an investment amount of one hundred thousand dollars (\$100,000). In exchange for the investment, ANDERSON promised to repay Lisa Love's principal as well as interest.
2. Subsequently, ANDERSON approached Lisa Love and asked if she would be interested in investing additional money with ANDERSON. Lisa Love said that she would, and on or about January 31, 2008, through charges on her credit cards provided ANDERSON with an additional twenty thousand dollars (\$20,000). In exchange for the investment, ANDERSON promised to repay Lisa Love's principal as well as 35% annual interest. ANDERSON provided to Lisa Love a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of one hundred twenty thousand dollars (\$120,000) from Lisa Love, and signed by ANDERSON, promising: a) to repay Lisa Love's principal at the termination of the agreement on the "Due Date," of January 1, 2009; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 35%; and c) to provide one hundred sixty two thousand dollars (\$162,000) in total payments to Lisa Love.
3. In March of 2008, ANDERSON approached Lisa Love and again asked if she would be interested in investing additional money with ANDERSON. Lisa Love agreed, and on and between March 12 and March 20, 2008, using credit cards, provided ANDERSON with an additional fifty thousand dollars (\$50,000). In exchange, ANDERSON provided to Lisa Love a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of one hundred seventy thousand dollars (\$170,000) from Lisa Love, and signed by ANDERSON, promising: a) to repay Lisa Love's principal at the termination of the agreement on the "Due Date," of March 1, 2009; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 35%, for two hundred twenty nine thousand five hundred dollars (\$229,500) in total payments.
4. In April of 2008, ANDERSON again approached Lisa Love and asked if she would be interested in investing additional money with

ANDERSON. Lisa Love said that she would, and on or about April 23, 2008, provided ANDERSON, through credit card charges, an additional twenty five thousand dollars (\$25,000). In exchange for the investment, ANDERSON provided to Lisa Love a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of one hundred ninety five thousand dollars (\$195,000) from Lisa Love, and signed by ANDERSON, promising: a) to repay Lisa Love's principal; b) to make monthly interest payments on the total invested principal at the annual percentage rate of 35%; and c) to provide two hundred sixty three thousand two hundred fifty dollars (\$263,250) in total payments to Lisa Love.

5. In connection with the sale of these securities to Lisa Love, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT THIRTEEN  
Securities Fraud – F3

On and about and between May 18, 2007 and September 12, 2007, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Beatrice Manzanares directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Thirteen of this Indictment was committed in the following manner:

1. In January ANDERSON offered Beatrice Manzanares an opportunity to invest through Standerson Mortgage and financial Corp. ANDERSON represented that Beatrice Manzanares' investment would be repaid in full plus interest. Beatrice Manzanares decided to accept ANDERSON's offer and on or about May 18, 2007, provided to ANDERSON a check for an investment amount of sixty six thousand dollars (\$66,000). In exchange for the investment, ANDERSON promised to repay Beatrice Manzanares' principal as well as 30%

annual interest. ANDERSON provided to Beatrice Manzanares a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Beatrice Manzanares' principal at the termination of the agreement on the "Due Date," of May 18, 2008; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide eighty five thousand eight hundred dollars (\$85,800) in total payments to Beatrice Manzanares.

2. ANDERSON again approached Beatrice Manzanares and asked if she would be interested in investing additional money with ANDERSON. Beatrice Manzanares said that she would, and on September 12, 2007, provided ANDERSON with an additional ninety five thousand dollars (\$95,000). In exchange for the investment, ANDERSON promised to repay Beatrice Manzanares' principal as well as 30% annual interest. ANDERSON provided to Beatrice Manzanares a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of one hundred sixty one thousand dollars (\$161,000) from Beatrice Manzanares, and signed by ANDERSON, promising: a) to repay Beatrice Manzanares' principal at the termination of the agreement on the "Due Date," of September 12, 2008; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide two hundred nine thousand three hundred dollars (\$209,300) in total payments to Beatrice Manzanares.
3. In connection with the sale of these securities to Beatrice Manzanares, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT FOURTEEN  
Securities Fraud – F3

About and between February 15, 2007, and March 10, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Leroy and Brenda Marshall directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended,

(Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Fourteen of this Indictment was committed in the following manner:

1. ANDERSON offered Leroy and Brenda Marshall an opportunity to invest in real estate through Standerson Mortgage, and ANDERSON, individually. ANDERSON represented that Leroy and Brenda Marshalls' investment would be repaid in full plus interest. Leroy and Brenda Marshall decided to accept ANDERSON's offer and on or about February 15, 2007, provided to ANDERSON a check for an investment amount of forty thousand dollars (\$40,000). In exchange for the investment, ANDERSON promised to repay Leroy and Brenda Marshalls' principal as well as 30% annual interest. ANDERSON provided to Leroy and Brenda Marshall a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Leroy and Brenda Marshalls' principal at the termination of the agreement on the "Due Date," of February 15, 2008; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide fifty two thousand dollars (\$52,000) in total payments to Leroy and Brenda Marshall.
2. ANDERSON again approached Leroy and Brenda Marshall and asked if they would be interested in investing additional money with ANDERSON. Leroy and Brenda Marshall said that they would, and on June 27, 2007, provided ANDERSON with an additional twenty thousand dollars (\$20,000). In exchange for the investment, ANDERSON promised to repay Leroy and Brenda Marshalls' principal as well as 30% annual interest. ANDERSON provided to Leroy and Brenda Marshall a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Leroy and Brenda Marshalls' principal at the termination of the agreement on the "Due Date," of July 1, 2008; b) to make 12 monthly interest payments on the invested principal at the annual percentage rate of 30%; and c) to provide twenty six thousand dollars (\$26,000) in total payments to Leroy and Brenda Marshall.
3. ANDERSON offered Leroy and Brenda Marshall another opportunity to invest in real estate through Standerson Mortgage, and ANDERSON individually. ANDERSON represented that Leroy and Brenda Marshall's investment would be repaid in full plus interest.

Leroy and Brenda Marshall decided to accept ANDERSON'S offer and on or about October 29, 2007, provided to ANDERSON a check for an additional investment amount of twenty thousand dollars (\$20,000). In exchange for the investment, ANDERSON promised to repay Leroy and Brenda Marshalls' principal as well as 30% annual interest. ANDERSON provided to Leroy and Brenda Marshall a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of forty thousand dollars (\$40,000) from Leroy and Brenda Marshall , and signed by ANDERSON, promising: a) to repay Leroy and Brenda Marshalls' principal at the termination of the agreement on the "Due Date," of November 1, 2008; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide fifty two thousand dollars (\$52,000) in total payments to Leroy and Brenda Marshall.

4. ANDERSON again approached Leroy and Brenda Marshall and asked if they would be interested in investing additional money with ANDERSON. Leroy and Brenda Marshall said that they would, and on December 31, 2007, provided ANDERSON with an additional ten thousand dollars (\$10,000). In exchange for the investment, ANDERSON promised to repay Leroy and Brenda Marshalls' principal as well as 30% annual interest. ANDERSON provided to Leroy and Brenda Marshall a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of fifty thousand dollars (\$50,000) from Leroy and Brenda Marshall , and signed by ANDERSON, promising: a) to repay Leroy and Brenda Marshalls' principal at the termination of the agreement on the "Due Date," of January 15, 2009; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide sixty five thousand dollars (\$65,000) in total payments to Leroy and Brenda Marshall.
5. In February of 2008, ANDERSON again offered Leroy and Brenda Marshall an opportunity to invest in real estate through, Standerson Mortgage, and ANDERSON, individually. ANDERSON represented that Leroy and Brenda Marshalls' investment would be repaid in full plus interest. Leroy and Brenda Marshall decided to accept ANDERSON's offer and on or about February 12, 2008, provided to ANDERSON a check for an investment amount of ten thousand dollars (\$10,000). In exchange for the investment, ANDERSON promised to repay Leroy and Brenda Marshalls' principal as well as 30% annual interest. ANDERSON provided to Leroy and Brenda Marshall a promissory note labeled "Combination Promissory Note, Security

Agreement, and Disclosure Statement,” acknowledging receipt of a total investment of sixty thousand dollars (\$60,000) from Leroy and Brenda Marshall , and signed by ANDERSON, promising: a) to repay Leroy and Brenda Marshalls’ principal at the termination of the agreement on the “Due Date,” of February 15, 2009; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide seventy eight thousand dollars (\$78,000) in total payments to Leroy and Brenda Marshall.

6. ANDERSON again approached Leroy and Brenda Marshall and asked if they would be interested in investing additional money with ANDERSON. Leroy and Brenda Marshall said that they would, and on March 10, 2008, provided ANDERSON with an additional twenty thousand dollars (\$20,000). In exchange for the investment, ANDERSON promised to repay Leroy and Brenda Marshalls’ principal as well as 30% annual interest. ANDERSON provided to Leroy and Brenda Marshall a promissory note labeled “Combination Promissory Note, Security Agreement, and Disclosure Statement,” acknowledging receipt of a total investment of eighty thousand dollars (\$80,000) from Leroy and Brenda Marshall , and signed by ANDERSON, promising: a) to repay Leroy and Brenda Marshalls’ principal at the termination of the agreement on the “Due Date,” of March 15, 2009, and b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide one hundred four thousand dollars (\$104,000) in total payments to Leroy and Brenda Marshall.
7. In connection with the sale of these securities to Leroy and Brenda Marshall, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT FIFTEEN  
Securities Fraud – F3

About and between March 26, 2007, and December 17, 2007, and in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Donna Nakayama-Hiraki directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in

such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Fifteen of this Indictment was committed in the following manner:

1. In March of 2007, ANDERSON offered Donna Nakayama-Hiraki an opportunity to invest in real estate through, Standerson Mortgage, and ANDERSON, individually. ANDERSON represented that Donna Nakayama-Hiraki's investment would be repaid in full plus interest. Donna Nakayama-Hiraki decided to accept ANDERSON's offer and on or about March 26, 2007, provided to ANDERSON a check for an investment amount of thirty thousand dollars (\$30,000). In exchange for the investment, ANDERSON promised to repay Donna Nakayama-Hiraki's principal as well as 30% annual interest. ANDERSON provided to Donna Nakayama-Hiraki a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a prior investment of fifty thousand dollars (\$50,000), as well as these funds, for a total investment of eighty thousand dollars (\$80,000) from Donna Nakayama-Hiraki, and signed by ANDERSON, promising: a) to repay Donna Nakayama-Hiraki's principal at the termination of the agreement on the "Due Date," of March 26, 2008; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide one hundred four thousand dollars (\$104,000) in total payments to Donna Nakayama-Hiraki.
2. ANDERSON again approached Donna Nakayama-Hiraki and asked if she would be interested in investing additional money with ANDERSON. Donna Nakayama-Hiraki said that she would, and on December 17, 2007, provided ANDERSON with an additional thirty thousand dollars (\$30,000). In exchange for the investment, ANDERSON promised to repay Donna Nakayama-Hiraki's principal as well as 30% annual interest. ANDERSON provided to Donna Nakayama-Hiraki a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of one hundred ten thousand dollars (\$110,000) from Donna Nakayama-Hiraki, and signed by ANDERSON, promising: a) to repay Donna Nakayama-Hiraki's principal at the termination of the agreement on the "Due Date," of December 17, 2009, and b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%; and

c) to provide one hundred forty three thousand dollars (\$143,000) in total payments to Donna Nakayama-Hiraki.

3. In connection with the sale of these securities to Donna Nakayama-Hiraki, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

### COUNT SIXTEEN

#### Securities Fraud – F3

About and between June 20, 2006 and April 8, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Deana Rozman, on her own behalf and on behalf of the Pearl Ames Trust, directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Sixteen of this Indictment was committed in the following manner:

1. In June of 2006, ANDERSON offered Deana Rozman an opportunity to invest in real estate through, Standerson Mortgage, and ANDERSON, individually. ANDERSON represented that Deana Rozman's investment would be repaid in full plus interest. Deana Rozman decided to accept ANDERSON'S offer and on or about June 20, 2006, provided to ANDERSON a check for an investment amount of twenty five thousand dollars (\$25,000). In exchange for the investment, ANDERSON promised to repay Deana Rozman's principal as well as 30% annual interest. ANDERSON provided to Deana Rozman a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a prior investment of twenty five thousand dollars (\$25,000), as well as these funds, for a total investment of fifty thousand dollars (\$50,000) from Deana Rozman, and signed by ANDERSON, promising: a) to repay Deana Rozman's principal at the termination of the agreement on the "Due Date," of June 20, 2007; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate

of 30%; and c) to provide sixty five thousand dollars (\$65,000) in total payments to Deana Rozman.

2. ANDERSON again approached Deana Rozman and asked if she would be interested in investing additional money with ANDERSON. Deana Rozman said that she would, and on December 15, 2006, provided ANDERSON with an additional twenty three thousand eight hundred dollars (\$23,800). In exchange for the investment, ANDERSON promised to repay Deana Rozman's principal as well as 30% annual interest. ANDERSON provided to Deana Rozman a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of seventy five thousand dollars (\$75,000) from Deana Rozman, and signed by ANDERSON, promising: a) to repay Deana Rozman's principal at the termination of the agreement on the "Due Date," of December 20, 2007; b) to make 12 monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide ninety seven thousand five hundred dollars (\$97,500) in total payments to Deana Rozman.
3. In February of 2007, ANDERSON offered Deana Rozman another opportunity to invest in real estate through, Standerson Mortgage, and ANDERSON, individually. ANDERSON, represented that Deana Rozman's investment would be repaid in full plus interest. Deana Rozman decided to accept ANDERSON's offer and on or about February 5, 2007, provided to ANDERSON a check for an investment amount of one hundred twenty five thousand dollars (\$125,000). In exchange for the investment, ANDERSON promised to repay Deana Rozman's principal as well as 35% annual interest. ANDERSON provided to Deana Rozman a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of two hundred thousand dollars (\$200,000) from Deana Rozman, and signed by ANDERSON, promising: a) to repay Deana Rozman's principal at the termination of the agreement on the "Due Date," of February 20, 2012; b) to make monthly interest payments on the total invested principal at the annual percentage rate of 35%; and c) to provide two hundred seventy thousand dollars (\$270,000) in total payments to Deana Rozman.
4. ANDERSON again approached Deana Rozman and asked if she would be interested in investing additional money with ANDERSON. Deana Rozman said that she would, and on and between March 6, 2007, and March 8, 2007, provided ANDERSON with an additional twenty thousand dollars (\$20,000). In exchange for the investment,

ANDERSON promised to repay Deana Rozman's principal as well as 35% annual interest. ANDERSON provided to Deana Rozman a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of two hundred twenty thousand dollars (\$220,000) from Deana Rozman, and signed by ANDERSON, promising: a) to repay Deana Rozman's principal at the termination of the agreement on the "Due Date," of February 20, 2012; b) to make monthly interest payments on the total invested principal at the annual percentage rate of 35%; and c) to provide two hundred ninety seven thousand dollars (\$297,000) in total payments to Deana Rozman.

5. In February of 2008, ANDERSON offered Deana Rozman another opportunity to invest in real estate through Standerson Mortgage, and ANDERSON individually. ANDERSON, represented that Deana Rozman's investment would be repaid in full plus interest. Deana Rozman decided to accept ANDERSON's offer and on or about February 22, 2008, provided to ANDERSON two checks totaling fifteen thousand dollars (\$15,000). In exchange for the investment, ANDERSON promised to repay Deana Rozman's principal as well as 35% annual interest. ANDERSON provided to Deana Rozman a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of two hundred thirty five thousand dollars (\$235,000) from Deana Rozman, and signed by ANDERSON, promising: a) to repay Deana Rozman's principal at the termination of the agreement on the "Due Date," of February 20, 2013; b) to make monthly interest payments on the total invested principal at the annual percentage rate of 35%; and c) to provide three hundred seventeen thousand two hundred fifty dollars (\$317,250) in total payments to Deana Rozman.
6. In April of 2008, ANDERSON again approached Deana Rozman and asked if she would be interested in investing additional money with ANDERSON. Deana Rozman said that she would, and on April 8, 2008, provided ANDERSON with an additional eighty five thousand dollars (\$85,000). In exchange for the investment, ANDERSON promised to repay Deana Rozman's principal as well as 35% annual interest. ANDERSON provided to Deana Rozman a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total investment of three hundred twenty thousand dollars (\$320,000) from Deana Rozman, and signed by ANDERSON, promising: a) to repay Deana Rozman's principal at the termination of the agreement on the "Due Date," of April 20, 2013; b) to make monthly interest payments on the

total invested principal at the annual percentage rate of 35%; and c) to provide four hundred thirty two thousand dollars (\$432,000) in total payments to Deana Rozman.

7. Further, ANDERSON offered Deana Rozman an opportunity to invest in Standerson Mortgage and ANDERSON'S related entities, on behalf of her mother, Pearl Ames. Deana Rozman made the following investments through the Pearl A. Ames trust, and on behalf of her mother, Pearl A. Ames:
  - a) ANDERSON sought investment funds from Deana Rozman in May of 2007, ANDERSON represented that this investment would be repaid in full plus interest. Deana Rozman decided to accept ANDERSON's offer and on or about May 7, 2007, provided to ANDERSON a check for an investment amount of fourteen thousand dollars (\$14,000). In exchange for the investment, ANDERSON promised to repay the principal as well as 30% annual interest. ANDERSON provided to Deana Rozman a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay the principal at the termination of the agreement, and b) to make monthly interest payments on the total invested principal at the annual percentage rate of 30%.
  - b) ANDERSON again solicited investment funds June of 2007, ANDERSON represented that this investment would be repaid in full plus interest. Deana Rozman decided to accept ANDERSON's offer and on or about June 11, 2007, provided to ANDERSON a check for an additional thirty nine thousand dollars (\$39,000), on behalf of Pearl A. Ames Trust. In exchange for the investment, ANDERSON promised to repay the principal as well as 30% annual interest. ANDERSON provided to Deana Rozman a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total of fifty three thousand dollars (\$53,000) on behalf of the Pearl A. Ames Trust, and signed by ANDERSON, promising: a) to repay the principal at the termination of the agreement, on June 7, 2008; b) to make monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide sixty eight thousand nine hundred dollars (\$68,900) in total payments.

- c) ANDERSON again solicited investment funds in October of 2007. ANDERSON represented that this investment would be repaid in full plus interest. Deana Rozman decided to accept ANDERSON's offer and about and between October 25 and October 26, 2007, provided to ANDERSON a check for an additional twenty thousand dollars (\$20,000), on behalf of Pearl A. Ames Trust. In exchange for the investment, ANDERSON promised to repay the principal as well as 30% annual interest. ANDERSON provided to Deana Rozman a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total of seventy three thousand dollars (\$73,000) on behalf of the Pearl A. Ames Trust, and signed by ANDERSON, promising: a) to repay the principal at the termination of the agreement, on October 26, 2008, and b) to make monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide ninety four thousand nine hundred dollars (\$94,900) in total payments.
  - d) In February of 2008, ANDERSON again solicited investment funds, ANDERSON again represented that this investment would be repaid in full plus interest. Deana Rozman decided to accept ANDERSON's offer and on or about February 11, 2008, provided to ANDERSON a check for an additional fifteen thousand dollars (\$15,000), on behalf of Pearl A. Ames Trust. In exchange for the investment, ANDERSON promised to repay the principal as well as 30% annual interest. ANDERSON provided to Deana Rozman a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," acknowledging receipt of a total of eighty eight thousand dollars (\$88,000) on behalf of the Pearl A. Ames Trust, and signed by ANDERSON, promising: a) to repay the principal at the termination of the agreement, on February 12, 2009; b) to make monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide one hundred fourteen thousand four hundred dollars (\$114,400) in total payments.
8. In connection with the sale of these securities to Deana Rozman, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT SEVENTEEN

Securities Fraud – F3

On and about March 27, 2008, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Ronald Staton directly, or indirectly, unlawfully, feloniously, and willfully made an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, (Securities Fraud – Class 3 Felony), against the peace and dignity of The People of the State of Colorado.

The offense in Count Seventeen of this Indictment was committed in the following manner:

1. In March of 2008, ANDERSON offered Ronald Staton an investment opportunity through Standerson Mortgage. ANDERSON, represented that Ronald Staton's investment would be repaid in full plus interest. Ronald Staton decided to accept ANDERSON's offer and on or about March 27, 2008, wired thirty five thousand dollars (\$35,000) into ANDERSON's Wells Fargo account. In exchange for the investment, ANDERSON promised to repay Ronald Staton's principal as well as 30% annual interest. ANDERSON provided to Ronald Staton a promissory note labeled "Combination Promissory Note, Security Agreement, and Disclosure Statement," signed by ANDERSON, promising: a) to repay Ronald Staton's principal at the termination of the agreement on March 27, 2009; b) to make monthly interest payments on the total invested principal at the annual percentage rate of 30%; and c) to provide forty five thousand five hundred dollars (\$45,500) in total payments to Ronald Staton.
2. In connection with the sale of these securities to Ronald Staton, ANDERSON made untrue statements of material fact, and failed to disclose material facts as described in the narrative of Essential Facts, which is hereby incorporated by reference.

COUNT EIGHTEEN

Securities Fraud – F3

On and between June 4, 2005, and March 2, 2009, in and triable in the State of Colorado, STANLEY FENTON ANDERSON, in connection with the offer or sale of any security to Investors in Standerson Mortgage and Financial

Corp., directly and indirectly, unlawfully, feloniously, and knowingly engaged in any course of business which operated or would operate as a fraud or deceit upon any person, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501 (1) (c) and 11-51-603 (1), and against the peace and dignity of The People of the State of Colorado, and as more fully set out below:

1. ANDERSON solicited investors to invest in fraudulent real estate and business activity and provided investors a "Combination Promissory Note, Security Agreement, and Disclosure Statement" to evidence their investment. ANDERSON never told investors of any risks associated with the investments. The investments are past due, and remain, in whole or in part, unpaid.
2. In connection with the commission of this offense, ANDERSON continued to make and maintain numerous untrue statements of material facts to the investors after their initial investments by making false interest payments and otherwise falsely representing to investors that their investment funds were generating the promised profits. ANDERSON continued inducing investors to make subsequent investments and encouraged the investors to promote the investment scheme to their families, friends and co-workers. ANDERSON furthered the act practice and course of business by inducing investors to "reinvest" or "roll over" their investment capital, rather than paying off the principal on the "due date."
3. The investments ANDERSON solicited directly or indirectly, in connection with this count, on and between June 4, 2005, and March 2, 2009, include one or more of the following:
  - a) Archie and Janna Ames of Loveland, Colorado invested approximately four hundred fifty one thousand dollars (\$451,000), in approximately five transactions, about and between January 5, 2007 and May 30, 2008. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008, and subsequently sought to revise the interest rate again.
  - b) Alexander Arndt of Gilbert, Arizona invested approximately fifty thousand dollars (\$50,000) by depositing funds into ANDERSON's WELLS FARGO ACCOUNT on or about August 7, 2007. ANDERSON renegotiated Alexander Arndt's investment rather than paying the owed principal on the date due. ANDERSON made interest payments and revised the interest rate of Alexander

Arndt's investments in September of 2008, and subsequently reduced the interest rate to 0% in March of 2009.

- c) Lucy Arnold of Littleton, Colorado invested approximately sixty thousand dollars (\$60,000) in approximately two transactions, about and between April 23, 2008 and July 7, 2008. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008, and subsequently reduced the interest rate to 0% in March of 2009.
- d) John and Ameer Barrus of Cody, Wyoming invested approximately seventy thousand dollars (\$70,000) in approximately five transactions, about and between January 25, 2008 and October 28, 2008. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008.
- e) James and Rebecca Berkley of Lakewood, Colorado invested approximately two hundred forty thousand dollars (\$240,000) on or about February 22, 2007. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008, and subsequently sought to revise the interest rate to 0% in March of 2009.
- f) William and Carolyn Childs of Lakewood, Colorado invested approximately one hundred twenty thousand dollars (\$120,000) in approximately four transactions, about and between June 4, 2005, and April of 2008. ANDERSON made interest payments to the Childs during this time period.
- g) Jose Galvan of Brighton, Colorado invested approximately thirty thousand dollars (\$30,000) on or about May 22, 2008. ANDERSON made interest payments and revised the interest rate of the investment in September of 2008.
- h) Maria Garcia, Manuel Garcia and Ronald Carnes, of Broomfield, Colorado invested individually and together, approximately one hundred thirty thousand dollars (\$130,000) in approximately six transactions, about and between March 28, 2007, and June 9, 2008. ANDERSON revised the interest rate of the investments in October of 2008. ANDERSON made interest payments and induced the Garcias to continually reinvest their initial principal into other investments.

- i) Lisa Garramone of Wheat Ridge, Colorado invested approximately twenty two thousand five hundred forty five dollars (\$22,545) on or about February 11, 2008. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008, and subsequently reduced the interest rate to 0% in February of 2009.
- j) Gary Givan of Denver, Colorado invested approximately twenty five thousand dollars (\$25,000) on or about June 4, 2008. ANDERSON made interest payments to this investor until December, 2008.
- k) Gregg Hamilton of Parker, Colorado invested approximately one hundred eighty five thousand dollars (\$185,000) in approximately three transactions, about and between May 22, 2008 and September 17, 2008. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008. ANDERSON induced Gregg Hamilton to roll his earned interest into his investment rather than receive payment. ANDERSON subsequently reduced the interest rate to 10% in approximately February of 2009.
- l) William and Betty Kunie of Elizabeth, Colorado invested, individually and together, approximately six hundred thirty thousand five hundred dollars (\$630,500) in approximately ten transactions, about and between February 1, 2006 and September 26, 2008. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008, and subsequently reduced the interest rate to 0% in February of 2009.
- m) Lisa Love of Twin Falls, Idaho invested approximately one hundred ninety five thousand dollars (\$195,000) in approximately four transactions, about and between January 21, 2008 and April 23, 2008. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008, and subsequently reduced the interest rate to 0% in February of 2009.
- n) Beatrice Manzanares of Wheat Ridge, Colorado invested approximately one hundred sixty one thousand dollars (\$161,000) in approximately two transactions, about and between May 18, 2007 and September 12, 2007. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008. ANDERSON induced Beatrice Manzanares to roll her earned interest into her investment rather than receive

payment. ANDERSON subsequently sought to revise the interest rate to 0% in February of 2009.

- o) Leroy and Brenda Marshall of Wheat Ridge, Colorado invested approximately one hundred twenty thousand dollars (\$120,000) in approximately six transactions, about and between February 15, 2007, and March 10, 2008. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008, and subsequently reduced the interest rate to 0% in February of 2009.
  - p) Donna Nakayama-Hiraki of Aurora, Colorado invested approximately one hundred ten thousand dollars (\$110,000) in approximately three transactions, about and between January 30, 2006 and December 17, 2007. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008, and subsequently reduced the interest rate to 0% in February of 2009.
  - q) Deana Rozman of Parker, Colorado invested approximately four hundred six thousand eight hundred dollars (\$406,800) individually and through the Pearl Ames Trust, in approximately eleven transactions, about and between January 6, 2006 and April 8, 2008. ANDERSON made interest payments and revised the interest rate of the investments in September of 2008, and subsequently reduced the interest rate to 0% in February of 2009.
  - r) Ronald Staton of Chandler, Arizona invested approximately thirty five thousand dollars (\$35,000) on or about March 27, 2008. ANDERSON made interest payments and sought to revise the interest rate of the investments in Autumn of 2008, and subsequently reduced the interest rate to 0% in March of 2009.
4. In connection with the sale of these securities to investors, ANDERSON engaged in various acts, practices and conducted a course of business which did or would operate as a fraud upon these investors, as described in the narrative of Essential Facts and the paragraphs following counts One through Eighteen, each of which is hereby incorporated by reference.
5. These investors never received the entire principal and interest as promised.

COUNT NINETEEN

Theft over Twenty Thousand Dollars - F3

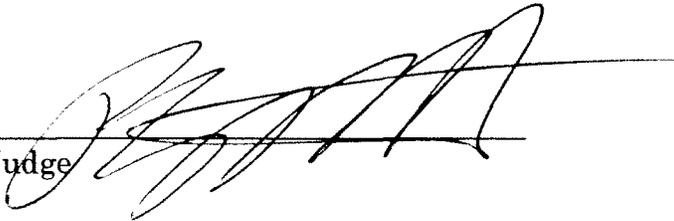
On and between June 4, 2005, and March 2, 2009, and discovered on and after March 2, 2009, in and triable in the State of Colorado, STANLEY FENTON ANDERSON individually, and by and through Standerson Mortgage and Financial, Corp., did feloniously and knowingly obtain or exercise control over a thing of value, to wit: MONEY, which was the property of Investors in Standerson Mortgage and Financial, Corp., by deception, and did knowingly use, conceal and abandon the money in such manner as to deprive Investors in Standerson Mortgage and Financial, Corp. permanently of its use and benefit, and the value of said MONEY was more than twenty thousand dollars, contrary to the form of the statute in such case made and provided, C.R.S. §§18-4-401(1)(b) and (2)(d), (Class 3 Felony) and against the peace and dignity of the People of the State of Colorado, and as described in the narrative of Essential Facts of this indictment, and the paragraphs following Counts One through Eighteen, each of which are hereby incorporated by reference.

JOHN W. SUTHERS  
ATTORNEY GENERAL  
STATE OF COLORADO

  
Michael J. Bellipanni, #24421  
Assistant Attorney General  
Criminal Justice Section

The 2010-2011 Colorado Statewide Grand Jury presents the within  
Indictment, and the same is hereby ORDERED FILED this 2 day of  
June 2011.

Pursuant to § 13-73-107, C.R.S., the Court designates Adams  
County, Colorado as the county of venue for the purposes of trial.

  
Judge