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Attorneys for People of the State of California

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF NEVADA

THE PEOPLE OF THE STATE OF
CALIFORNIA,

Plaintiff,

v.

PHILIP LESTER; SUSAN LAFERTE; B
JONATHAN BLINDER; ELLEN LESTER C

Defendants.

Case No. F12-380 A, B, C, D

FELONY COMPLAINT

The Attorney General of California, by and through the undersigned Deputy Attorney General, by this complaint accuses the above named defendants, in their operation of Gold Country Lenders, of having committed, in the County of Nevada State of California, the crimes of:

COUNT 1

[ENLIBRA]

CONSPIRACY TO COMMIT FRAUD IN THE OFFER OR SALE OF A SECURITY, IN VIOLATION OF SECTION 182 (A)(1) OF THE PENAL CODE, A FELONY.

On and between January 1, 2008 and June 23, 2011, DEFENDANTS **PHILIP LESTER, JONATHAN BLINDER, SUSAN LAFERTE and ELLEN LESTER**, did willfully and unlawfully and in violation of Penal Code Section 182(a)(1), conspire together and with another person and persons whose identity is unknown, to commit the crimes of sale of securities by means of false statement or material omission, in violation of Corporations Code Section 25401/25540 that pursuant to and for the purpose of carrying out the objectives and purposes of the aforesaid conspiracy, the said DEFENDANTS committed the following overt acts:

Overt Act 1. On January 7, 2008, opened a Citizen's bank account for ENLIBRA.

Overt Act 2. Created a prospectus boasting three separate housing projects titled Parkside Village, Wildflower Ridge, and Vista Trails.

Overt Act 3. Actively marketed ENLIBRA COMMUNITIES, projecting a rate of return of over 30 percent.

Overt Act 4. Sold ENLIBRA shares to investors without disclosing that Osborne Hill, the site for Vista Trails, contained a toxic waste issue that had so far prevented any development.

Overt Act 5. Grossly over-valued properties touted in the ENLIBRA COMMUNITIES prospectus.

Overt Act 6. Failed to clearly and specifically identify PHILIP LESTER'S ownership in one or more of the entities encompassed by ENLIBRA

Overt Act 7. Rolled investor money into the ENLIBRA account without investor permission.

Overt Act 8. When investors were notified that their investment had been rolled into ENLIBRA COMMUNITIES and demanded refund, Gold Country Lender's personnel communicated that the money was unavailable.

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COUNT 2

**USE OF A SCHEME, DEVICE OR ARTIFICE TO DEFRAUD IN CONNECTION WITH
A SALE OF OR OFFER TO SELL SECURITIES, IN VIOLATION OF SECTION 25541
OF THE CORPORATIONS CODE, A FELONY.**

Being a different offense from but connected in its commission with the charges set forth in Count 1, that on and between January 1, 2003 and June 23 2011, DEFENDANTS **PHILIP LESTER, ELLEN LESTER and SUSAN LAFERTE**, through their operation of **GOLD COUNTRY LENDERS** did willfully and unlawfully in violation of Corporation Code Section 25541, employ, directly and indirectly, any device, scheme, and artifice to defraud in connection with the offer, purchase, and sale of any security and willfully engaged, directly and indirectly, in any act, practice, and court of business which operated and would operate as a fraud and deceit upon any person in connection with the offer, purchase, and sale of any security, to wit: persons who purchased securities in Kenny Ranch, Deer Creek Pines, Bullards Bar, Enlibra, Osborne Hill, Linx, Lynx, Linx Group, or Lynx Properties and other projects, developments and entities through **GOLD COUNTRY LENDERS**.

COUNT 3

[DEER CREEK PINES LOAN 1941]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-2 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about January 8, 2003 violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED] by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

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COUNT 4

[BULLARDS BAR PROJECT LOAN 2090]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-3 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about March 16, 2006, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED] by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 5

[OSBORNE HILL LOAN 2138]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-4 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about May 2, 2006, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED], by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 6

[DEER CREEK PINES LOAN 2216DC]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-5 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or

1 about May 8, 2009, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
2 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
3 state to [REDACTED], by means of a written or oral communication which
4 included an untrue statement of a material fact or omitted to state a material fact necessary to
5 make the statement made not misleading in light of the circumstances under which it was made.

6 **COUNT 7**

7 **[OSBORNE HILL LOAN 2029]**

8 As and for a further and separate cause of action, being a different offense from but
9 connected in its commission with the crime set forth in Counts 1-6 hereof, complainant further
10 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
11 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
12 about June 29, 2006, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
13 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
14 state to [REDACTED], by means of a written or oral communication which included an
15 untrue statement of a material fact or omitted to state a material fact necessary to make the
16 statement made not misleading in light of the circumstances under which it was made.

17 **COUNT 8**

18 **[OSBORNE HILL LOAN 2203]**

19 As and for a further and separate cause of action, being a different offense from but
20 connected in its commission with the crime set forth in Counts 1-7 hereof, complainant further
21 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
22 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
23 about October 9, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
24 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
25 state to [REDACTED], by means of a written or oral communication which included an
26 untrue statement of a material fact or omitted to state a material fact necessary to make the
27 statement made not misleading in light of the circumstances under which it was made.

COUNT 9

[ENLIBRA]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-8 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER, JONATHAN BLINDER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about July 29, 2008, violate Sections **25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED] by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 10

[ENLIBRA]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-9 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about July 29, 2008, violate Section **368(d)** of the PENAL CODE, a **felony**, in that they committed theft, embezzlement, forgery, fraud, or identity theft with respect to the property of [REDACTED] said property, money, labor, goods, and services taken and obtained having a value exceeding \$950.00, and knew and reasonably should have known that [REDACTED] [REDACTED] was an elder adult

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COUNT 11

[DEER CREEK PINES LOAN 2216DC]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-10 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about May 8, 2009, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED], by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 12

[DEER CREEK PINES LOAN 2216DC]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-11 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about May 8, 2009, violate **Section 368(d)** of the PENAL CODE, a **felony**, in that they committed theft, embezzlement, forgery, fraud, or identity theft with respect to the property of [REDACTED], said property, money, labor, goods, and services taken and obtained having a value exceeding \$950.00, and knew and reasonably should have known that [REDACTED] was an elder adult.

COUNT 13

[DEER CREEK PINES LOAN 04010]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-12 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or

1 about November 21, 2006, violate Sections **25401 and 25540(b)** of the CORPORATIONS
2 CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell
3 securities in this state to [REDACTED] by means of a written or oral
4 communication which included an untrue statement of a material fact or omitted to state a
5 material fact necessary to make the statement made not misleading in light of the circumstances
6 under which it was made.

7 **COUNT 14**

8 **[DEER CREEK PINES LOAN 1946]**

9 As and for a further and separate cause of action, being a different offense from but
10 connected in its commission with the crime set forth in Counts 1-13 hereof, complainant further
11 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
12 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
13 about January 2, through January 7, 2008, violate Sections **25401 and 25540(b)** of the
14 CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for
15 sale and sell securities in this state to [REDACTED], by means of a written or
16 oral communication which included an untrue statement of a material fact or omitted to state a
17 material fact necessary to make the statement made not misleading in light of the circumstances
18 under which it was made.

19 **COUNT 15**

20 **[DEER CREEK PINES LOAN 2216DC]**

21 As and for a further and separate cause of action, being a different offense from but
22 connected in its commission with the crime set forth in Counts 1-14 hereof, complainant further
23 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
24 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
25 about May 5, 2009, violate Sections **25401 and 25540(b)** of the CORPORATIONS CODE, a
26 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
27 state to [REDACTED] by means of a written or oral communication which
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1 included an untrue statement of a material fact or omitted to state a material fact necessary to
2 make the statement made not misleading in light of the circumstances under which it was made.

3 **COUNT 16**

4 **[LINX GROUP-AVR LOAN 2186]**

5 As and for a further and separate cause of action, being a different offense from but
6 connected in its commission with the crime set forth in Counts 1-15 hereof, complainant further
7 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
8 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
9 about and between March 30, 2007, and August 25, 2007, violate **Sections 25401 and 25540(b)**
10 of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer
11 securities for sale and sell securities in this state to [REDACTED], by means of a
12 written or oral communication which included an untrue statement of a material fact or omitted to
13 state a material fact necessary to make the statement made not misleading in light of the
14 circumstances under which it was made.

15 **COUNT 17**

16 **[LYNX PROPERTIES- HB LOAN 2019]**

17 As and for a further and separate cause of action, being a different offense from but
18 connected in its commission with the crime set forth in Counts 1-16 hereof, complainant further
19 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
20 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
21 about April 11, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
22 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
23 state to [REDACTED] by means of a written or oral communication which included
24 an untrue statement of a material fact or omitted to state a material fact necessary to make the
25 statement made not misleading in light of the circumstances under which it was made.

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COUNT 18

[LINX GROUP- GATES LOAN 2163]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-17 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about April 11, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED], by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 19

[OSBORNE HILL PROJECT LOAN 2181]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-18 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about February 5, 2007 violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED], by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 20

[OSBORNE HILL PROJECT LOAN 2144]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-19 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or

1 about August 17, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
2 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
3 state to [REDACTED], by means of a written or oral communication which included an
4 untrue statement of a material fact or omitted to state a material fact necessary to make the
5 statement made not misleading in light of the circumstances under which it was made.

6 **COUNT 21**

7 **[OSBORNE HILL PROJECT LOAN 2203]**

8 As and for a further and separate cause of action, being a different offense from but
9 connected in its commission with the crime set forth in Counts 1-20 hereof, complainant further
10 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
11 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
12 about October 9, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
13 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
14 state to [REDACTED] by means of a written or oral communication which included an
15 untrue statement of a material fact or omitted to state a material fact necessary to make the
16 statement made not misleading in light of the circumstances under which it was made.

17 **COUNT 22**

18 **[OSBORNE HILL PROJECT LOAN 2144]**

19 As and for a further and separate cause of action, being a different offense from but
20 connected in its commission with the crime set forth in Counts 1-21 hereof, complainant further
21 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
22 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
23 about September 13, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS
24 CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell
25 securities in this state to [REDACTED] by means of a written or oral communication
26 which included an untrue statement of a material fact or omitted to state a material fact necessary
27 to make the statement made not misleading in light of the circumstances under which it was
28 made.

1 **COUNT 23**

2 **[OSBORNE HILL LOAN 2203]**

3 As and for a further and separate cause of action, being a different offense from but
4 connected in its commission with the crime set forth in Counts 1-22 hereof, complainant further
5 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
6 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
7 about and between February 5, 2007, and October 9, 2007, violate Section **368(d)** of the PENAL
8 CODE, a **felony**, in that they committed theft, embezzlement, forgery, fraud, or identity theft with
9 respect to the property of [REDACTED], said property, money, labor, goods, and services
10 taken and obtained having a value exceeding \$950.00, and knew and reasonably should have
11 known that [REDACTED] was an elder adult.

12 **COUNT 24**

13 **[ENLIBRA]**

14 As and for a further and separate cause of action, being a different offense from but
15 connected in its commission with the crime set forth in Counts 1-23 hereof, complainant further
16 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
17 **LESTER, JONATHAN BLINDER and SUSAN LAFERTE**, did, in the County of Nevada,
18 State of California, on or about July 29, 2008, violate **Sections 25401 and 25540(b)** of the
19 CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for
20 sale and sell securities in this state to [REDACTED], by means of a written or oral
21 communication which included an untrue statement of a material fact or omitted to state a
22 material fact necessary to make the statement made not misleading in light of the circumstances
23 under which it was made.

24 **COUNT 25**

25 **[ENLIBRA]**

26 As and for a further and separate cause of action, being a different offense from but
27 connected in its commission with the crime set forth in Counts 1-24 hereof, complainant further
28 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**

1 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
2 about July 29, 2008, violate Section **368(d)** of the PENAL CODE, a **felony**, in that they
3 committed theft, embezzlement, forgery, fraud, or identity theft with respect to the property of
4 [REDACTED] said property, money, labor, goods, and services taken and obtained having a
5 value exceeding \$950.00, and knew and reasonably should have known that [REDACTED], was
6 an elder adult.

7 **COUNT 26**

8 **[BULLARDS BAR 2182]**

9 As and for a further and separate cause of action, being a different offense from but
10 connected in its commission with the crime set forth in Counts 1-25 hereof, complainant further
11 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
12 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
13 about February 2, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
14 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
15 state to [REDACTED] by means of a written or oral communication which
16 included an untrue statement of a material fact or omitted to state a material fact necessary to
17 make the statement made not misleading in light of the circumstances under which it was made.

18 **COUNT 27**

19 **[OSBORNE HILL 2202]**

20 As and for a further and separate cause of action, being a different offense from but
21 connected in its commission with the crime set forth in Counts 1-26 hereof, complainant further
22 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
23 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
24 about October 9, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
25 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
26 state to [REDACTED] by means of a written or oral communication which
27 included an untrue statement of a material fact or omitted to state a material fact necessary to
28 make the statement made not misleading in light of the circumstances under which it was made.

1 **COUNT 28**

2 **[ENLIBRA]**

3 As and for a further and separate cause of action, being a different offense from but
4 connected in its commission with the crime set forth in Counts 1-27 hereof, complainant further
5 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
6 **LESTER, SUSAN LAFERTE** and **JONATHAN BLINDER** did, in the County of Nevada,
7 State of California, on or about February 25, 2008, violate **Sections 25401 and 25540(b)** of the
8 CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for
9 sale and sell securities in this state to [REDACTED] by means of a written or
10 oral communication which included an untrue statement of a material fact or omitted to state a
11 material fact necessary to make the statement made not misleading in light of the circumstances
12 under which it was made.

13 **COUNT 29**

14 **[BULLARDS BAR LOAN 2090]**

15 As and for a further and separate cause of action, being a different offense from but
16 connected in its commission with the crime set forth in Counts 1-28 hereof, complainant further
17 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
18 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
19 about January 26, 2006 violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
20 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
21 state to [REDACTED] by means of a written or oral communication which included an untrue
22 statement of a material fact or omitted to state a material fact necessary to make the statement
23 made not misleading in light of the circumstances under which it was made.

24 **COUNT 30**

25 **[DEER CREEK PINES LOAN 2178]**

26 As and for a further and separate cause of action, being a different offense from but
27 connected in its commission with the crime set forth in Counts 1-29 hereof, complainant further
28 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**

1 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
2 about March 5, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
3 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
4 state to [REDACTED] by means of a written or oral communication which included an untrue
5 statement of a material fact or omitted to state a material fact necessary to make the statement
6 made not misleading in light of the circumstances under which it was made.

7 **COUNT 31**

8 **[DEER CREEK PINES 2216DC]**

9 As and for a further and separate cause of action, being a different offense from but
10 connected in its commission with the crime set forth in Counts 1-30 hereof, complainant further
11 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
12 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
13 about May 8, 2009, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
14 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
15 state to [REDACTED] by means of a written or oral communication which included an untrue
16 statement of a material fact or omitted to state a material fact necessary to make the statement
17 made not misleading in light of the circumstances under which it was made.

18 **COUNT 32**

19 **[BULLARDS BAR LOAN 2141]**

20 As and for a further and separate cause of action, being a different offense from but
21 connected in its commission with the crime set forth in Counts 1-31 hereof, complainant further
22 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
23 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
24 about February 15, 2006, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE,
25 a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in
26 this state to [REDACTED] by means of a written or oral communication which included an
27 untrue statement of a material fact or omitted to state a material fact necessary to make the
28 statement made not misleading in light of the circumstances under which it was made.

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COUNT 33

[BULLARDS BAR LOAN 2141]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-32 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about February 15, 2006, violate Section **368(d)** of the PENAL CODE, a **felony**, in that they committed theft, embezzlement, forgery, fraud, or identity theft with respect to the property of [REDACTED], said property, money, labor, goods, and services taken and obtained having a value exceeding \$950.00, and knew and reasonably should have known that [REDACTED], was an elder adult.

COUNT 34

[DEER CREEK PINES LOAN 2216]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-33 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE** did, in the County of Nevada, State of California, on or about May 28, 2009, violate Sections **25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED] by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 35

[DEER CREEK PINES LOAN 2216]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-34 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or

1 about May 28, 2009, violate Section 368(d) of the PENAL CODE, a **felony**, in that they
2 committed theft, embezzlement, forgery, fraud, or identity theft with respect to the property of
3 [REDACTED], said property, money, labor, goods, and services taken and obtained
4 having a value exceeding \$950.00, and knew and reasonably should have known that [REDACTED]
5 [REDACTED], were elder adults.

6 **COUNT 36**

7 **[OSBORNE HILL LOAN 2202]**

8 As and for a further and separate cause of action, being a different offense from but
9 connected in its commission with the crime set forth in Counts 1-35 hereof, complainant further
10 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
11 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
12 about and between October 9, 2007 and October 22, 2007, violate **Sections 25401 and 25540(b)**
13 of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer
14 securities for sale and sell securities in this state to [REDACTED] by means of
15 a written or oral communication which included an untrue statement of a material fact or omitted
16 to state a material fact necessary to make the statement made not misleading in light of the
17 circumstances under which it was made.

18 **COUNT 37**

19 **[OSBORNE HILL LOAN 2202]**

20 As and for a further and separate cause of action, being a different offense from but
21 connected in its commission with the crime set forth in Counts 1-36 hereof, complainant further
22 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
23 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
24 about October 9, 2007, violate Section 368(d) of the PENAL CODE, a **felony**, in that they
25 committed theft, embezzlement, forgery, fraud, or identity theft with respect to the property of
26 [REDACTED], said property, money, labor, goods, and services taken and
27 obtained having a value exceeding \$950.00, and knew and reasonably should have known that
28 [REDACTED], were elder adults.

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COUNT 38

[OSBORNE HILL LOAN 2203]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-37 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about October 9, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED] by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 39

[DEER CREEK PINES 2216DC]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-38 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about May 8, 2009, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED] by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 40

[DEER CREEK PINES 2216DC]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-39 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or

1 about May 8, 2009, violate Section 368(d) of the PENAL CODE, a **felony**, in that they
2 committed theft, embezzlement, forgery, fraud, or identity theft with respect to the property of
3 [REDACTED] said property, money, labor, goods, and services taken and obtained
4 having a value exceeding \$950.00, and knew and reasonably should have known that C [REDACTED]
5 [REDACTED], were elder adults.

6 **COUNT 41**

7 **[OSBORNE HILL PROJECT 2028]**

8 As and for a further and separate cause of action, being a different offense from but
9 connected in its commission with the crime set forth in Counts 1-40 hereof, complainant further
10 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
11 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
12 about April 15, 2004, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
13 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
14 state to [REDACTED] by means of a written or oral communication which
15 included an untrue statement of a material fact or omitted to state a material fact necessary to
16 make the statement made not misleading in light of the circumstances under which it was made.

17 **COUNT 42**

18 **[OSBORNE HILL PROJECT 2028]**

19 As and for a further and separate cause of action, being a different offense from but
20 connected in its commission with the crime set forth in Counts 1-41 hereof, complainant further
21 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
22 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
23 about October 3, 2005, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
24 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
25 state to [REDACTED], by means of a written or oral communication which
26 included an untrue statement of a material fact or omitted to state a material fact necessary to
27 make the statement made not misleading in light of the circumstances under which it was made.
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1 **COUNT 43**

2 **[OSBORNE HILL PROJECT 2028]**

3 As and for a further and separate cause of action, being a different offense from but
4 connected in its commission with the crime set forth in Counts 1-42 hereof, complainant further
5 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
6 **LESTER** and **SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
7 about October 24, 2005, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE,
8 a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in
9 this state to [REDACTED] by means of a written or oral communication which
10 included an untrue statement of a material fact or omitted to state a material fact necessary to
11 make the statement made not misleading in light of the circumstances under which it was made.

12 **COUNT 44**

13 **[OSBORNE HILL PROJECT 2203]**

14 As and for a further and separate cause of action, being a different offense from but
15 connected in its commission with the crime set forth in Counts 1-43 hereof, complainant further
16 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
17 **LESTER** and **SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
18 about October 9, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
19 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
20 state to [REDACTED], by means of a written or oral communication which
21 included an untrue statement of a material fact or omitted to state a material fact necessary to
22 make the statement made not misleading in light of the circumstances under which it was made.

23 **COUNT 45**

24 **[OSBORNE HILL 2020]**

25 As and for a further and separate cause of action, being a different offense from but
26 connected in its commission with the crime set forth in Counts 1-44 hereof, complainant further
27 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
28 **LESTER** and **SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or

1 about April 15, 2004, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
2 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
3 state to [REDACTED], by means of a written or oral communication which
4 included an untrue statement of a material fact or omitted to state a material fact necessary to
5 make the statement made not misleading in light of the circumstances under which it was made.

6 **COUNT 46**

7 **[OSBORNE HILL 2202]**

8 As and for a further and separate cause of action, being a different offense from but
9 connected in its commission with the crime set forth in Counts 1-45 hereof, complainant further
10 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
11 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
12 about October 9, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
13 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
14 state to [REDACTED], by means of a written or oral communication which
15 included an untrue statement of a material fact or omitted to state a material fact necessary to
16 make the statement made not misleading in light of the circumstances under which it was made.

17 **COUNT 47**

18 **[OSBORNE HILL PROJECT 2028]**

19 As and for a further and separate cause of action, being a different offense from but
20 connected in its commission with the crime set forth in Counts 1-46 hereof, complainant further
21 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
22 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
23 about April 15, 2004, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
24 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
25 state to [REDACTED] by means of a written or oral communication which included
26 an untrue statement of a material fact or omitted to state a material fact necessary to make the
27 statement made not misleading in light of the circumstances under which it was made.

1 **COUNT 48**

2 **[OSBORNE HILL PROJECT 2202]**

3 As and for a further and separate cause of action, being a different offense from but
4 connected in its commission with the crime set forth in Counts 1-47 hereof, complainant further
5 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
6 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
7 about October 9, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
8 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
9 state to [REDACTED] by means of a written or oral communication which included
10 an untrue statement of a material fact or omitted to state a material fact necessary to make the
11 statement made not misleading in light of the circumstances under which it was made.

12 **COUNT 49**

13 **[OSBORNE HILL PROJECT 2202]**

14 As and for a further and separate cause of action, being a different offense from but
15 connected in its commission with the crime set forth in Counts 1-48 hereof, complainant further
16 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
17 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
18 about October 25, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE,
19 a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in
20 this state to [REDACTED] by means of a written or oral communication which
21 included an untrue statement of a material fact or omitted to state a material fact necessary to
22 make the statement made not misleading in light of the circumstances under which it was made.

23 **COUNT 50**

24 **[OSBORNE HILL PROJECT 2028]**

25 As and for a further and separate cause of action, being a different offense from but
26 connected in its commission with the crime set forth in Counts 1-49 hereof, complainant further
27 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
28 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or

1 about April 21, 2004, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
2 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
3 state to [REDACTED] by means of a written or oral communication which included
4 an untrue statement of a material fact or omitted to state a material fact necessary to make the
5 statement made not misleading in light of the circumstances under which it was made.

6 **COUNT 51**

7 **[OSBORNE HILL PROJECT 2028]**

8 As and for a further and separate cause of action, being a different offense from but
9 connected in its commission with the crime set forth in Counts 1-50 hereof, complainant further
10 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
11 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
12 about January 27, 2005, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
13 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
14 state to [REDACTED] by means of a written or oral communication which included
15 an untrue statement of a material fact or omitted to state a material fact necessary to make the
16 statement made not misleading in light of the circumstances under which it was made.

17 **COUNT 52**

18 **[OSBORNE HILL PROJECT 2028]**

19 As and for a further and separate cause of action, being a different offense from but
20 connected in its commission with the crime set forth in Counts 1-51 hereof, complainant further
21 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
22 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
23 about May 4, 2005, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
24 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
25 state to [REDACTED] by means of a written or oral communication which included
26 an untrue statement of a material fact or omitted to state a material fact necessary to make the
27 statement made not misleading in light of the circumstances under which it was made.
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COUNT 53

[OSBORNE HILL PROJECT 2028]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-52 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about December 15, 2005, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED] by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 54

[OSBORNE HILL PROJECT 2202]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-53 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or about October 9, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this state to [REDACTED] by means of a written or oral communication which included an untrue statement of a material fact or omitted to state a material fact necessary to make the statement made not misleading in light of the circumstances under which it was made.

COUNT 55

[MELODY ROAD]

As and for a further and separate cause of action, being a different offense from but connected in its commission with the crime set forth in Counts 1-54 hereof, complainant further complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**

1 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
2 about September 30, 2008, violate Section **368(d)** of the PENAL CODE, a **felony**, in that they
3 committed theft, embezzlement, forgery, fraud, or identity theft with respect to the property of
4 [REDACTED] said property, money, labor, goods, and services taken and obtained having a
5 value exceeding \$950.00, and knew and reasonably should have known that [REDACTED]
6 was an elder adult.

7 **COUNT 56**

8 **[LINX LOAN 2200]**

9 As and for a further and separate cause of action, being a different offense from but
10 connected in its commission with the crime set forth in Counts 1-55 hereof, complainant further
11 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
12 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
13 about November 22, 2007, violate **Sections 25401 and 25540(b)** of the CORPORATIONS
14 CODE, a **felony**, in that they did willfully and unlawfully offer securities for sale and sell
15 securities in this state to [REDACTED] by means of a written or oral
16 communication which included an untrue statement of a material fact or omitted to state a
17 material fact necessary to make the statement made not misleading in light of the circumstances
18 under which it was made.

19 **COUNT 57**

20 **[LINX LOAN 2200]**

21 As and for a further and separate cause of action, being a different offense from but
22 connected in its commission with the crime set forth in Counts 1-56 hereof, complainant further
23 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
24 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
25 about May 10, 2008, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
26 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
27 state to [REDACTED] by means of a written or oral communication which
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1 included an untrue statement of a material fact or omitted to state a material fact necessary to
2 make the statement made not misleading in light of the circumstances under which it was made.

3 **COUNT 58**

4 **[LINX LOAN 2200]**

5 As and for a further and separate cause of action, being a different offense from but
6 connected in its commission with the crime set forth in Counts 1-57 hereof, complainant further
7 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
8 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
9 about and between May 10, 2008, violate Section **368(d)** of the PENAL CODE, a **felony**, in that
10 they committed theft, embezzlement, forgery, fraud, or identity theft with respect to the property
11 of [REDACTED], said property, money, labor, goods, and services taken and
12 obtained having a value exceeding \$950.00, and knew and reasonably should have known that
13 [REDACTED] were elder adults.

14 **COUNT 59**

15 **[OSBORNE HILL PROJECT 2138]**

16 As and for a further and separate cause of action, being a different offense from but
17 connected in its commission with the crime set forth in Counts 1-58 hereof, complainant further
18 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
19 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
20 about July 1, 2006, violate Sections **25401 and 25540(b)** of the CORPORATIONS CODE, a
21 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
22 state to [REDACTED] by means of a written or oral communication which included an
23 untrue statement of a material fact or omitted to state a material fact necessary to make the
24 statement made not misleading in light of the circumstances under which it was made.

25 **COUNT 60**

26 **[OSBORNE HILL PROJECT, LOAN 2203]**

27 As and for a further and separate cause of action, being a different offense from but
28 connected in its commission with the crime set forth in Counts 1-59 hereof, complainant further

1 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
2 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
3 about April 18, 2008, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
4 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
5 state [REDACTED] by means of a written or oral communication which included an
6 untrue statement of a material fact or omitted to state a material fact necessary to make the
7 statement made not misleading in light of the circumstances under which it was made.

8 **COUNT 61**

9 **[BULLARDS BAR PROJECT LOAN 2182]**

10 As and for a further and separate cause of action, being a different offense from but
11 connected in its commission with the crime set forth in Counts 1-60 hereof, complainant further
12 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
13 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
14 about April 18, 2008, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
15 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
16 state to [REDACTED] by means of a written or oral communication which included
17 an untrue statement of a material fact or omitted to state a material fact necessary to make the
18 statement made not misleading in light of the circumstances under which it was made.

19 **COUNT 62**

20 **[DEER CREEK PINES LOAN 1946]**

21 As and for a further and separate cause of action, being a different offense from but
22 connected in its commission with the crime set forth in Counts 1-61 hereof, complainant further
23 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
24 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
25 about April 18, 2008, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
26 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
27 state to [REDACTED] by means of a written or oral communication which included
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1 an untrue statement of a material fact or omitted to state a material fact necessary to make the
2 statement made not misleading in light of the circumstances under which it was made.

3 **COUNT 63**

4 **[DEER CREEK PINES LOAN 2216DC]**

5 As and for a further and separate cause of action, being a different offense from but
6 connected in its commission with the crime set forth in Counts 1-62 hereof, complainant further
7 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
8 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
9 about June 3, 2009, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
10 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
11 state to [REDACTED] by means of a written or oral communication which included
12 an untrue statement of a material fact or omitted to state a material fact necessary to make the
13 statement made not misleading in light of the circumstances under which it was made.

14 **COUNT 64**

15 **[DEER CREEK PINES LOAN 2216DC]**

16 As and for a further and separate cause of action, being a different offense from but
17 connected in its commission with the crime set forth in Counts 1-63 hereof, complainant further
18 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
19 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
20 about May 8, 2009, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE, a
21 **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in this
22 state to [REDACTED] by means of a written or oral communication which
23 included an untrue statement of a material fact or omitted to state a material fact necessary to
24 make the statement made not misleading in light of the circumstances under which it was made.

25 **COUNT 65**

26 **[OSBORNE HILL LOAN 2144]**

27 As and for a further and separate cause of action, being a different offense from but
28 connected in its commission with the crime set forth in Counts 1-64 hereof, complainant further

1 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
2 **LESTER and SUSAN LAFERTE** ,did, in the County of Nevada, State of California, on or
3 about February 23, 2006, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE,
4 a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in
5 this state to [REDACTED] by means of a written or oral communication which included an untrue
6 statement of a material fact or omitted to state a material fact necessary to make the statement
7 made not misleading in light of the circumstances under which it was made.

8 **COUNT 66**

9 **[OSBORNE HILL LOAN 2144]**

10 As and for a further and separate cause of action, being a different offense from but
11 connected in its commission with the crime set forth in Counts 1-65 hereof, complainant further
12 complains and says upon further information and belief, that said DEFENDANTS, **PHILIP**
13 **LESTER and SUSAN LAFERTE**, did, in the County of Nevada, State of California, on or
14 about February 23, 2006, violate **Sections 25401 and 25540(b)** of the CORPORATIONS CODE,
15 a **felony**, in that they did willfully and unlawfully offer securities for sale and sell securities in
16 this state to [REDACTED] by means of a written or oral communication which included an
17 untrue statement of a material fact or omitted to state a material fact necessary to make the
18 statement made not misleading in light of the circumstances under which it was made.

19 **ENHANCEMENTS**

20 **186.11(A)(2) PC SPECIAL ALLEGATION EXCESSIVE AGGRAVATED WHITE**
21 **COLLAR CRIME**

22 It is further alleged, with respect to defendants **SUSAN LAFERTE and PHILIP**
23 **LESTER**, pursuant to Penal Code section 186.11(a)(2), that the offenses set forth in **Counts 1**
24 **through 66**, are related felonies, a material element of which is fraud, which involves a pattern of
25 related felony conduct, and the pattern of related conduct involves the taking of more than
26 \$500,000.

27 NOTICE: A conviction of this offense excludes defendants from a sentence of
28 imprisonment in the county jail pursuant to Penal Code section 1170(h).

1 **186.11(A)(1) PC SPECIAL ALLEGATION EXCESSIVE AGGRAVATED WHITE**
2 **COLLAR CRIME**

3 It is further alleged, with respect to defendant **JONATHAN BLINDER**, pursuant to Penal
4 Code section 186.11(a)(1), that the offenses set forth in **Counts 1, 9, 24, and 28**, are related
5 felonies, a material element of which is fraud, which involves a pattern of related felony conduct,
6 and the pattern of related conduct involves the taking of more than \$100,000.

7 NOTICE: A conviction of this offense excludes defendants from a sentence of
8 imprisonment in the county jail pursuant to Penal Code section 1170(h).

9
10 **12022.6(A)(3) PC SPECIAL ALLEGATION EXCESSIVE LOSS OVER \$1,300,000**

11 It is further alleged, with respect to defendants **SUSAN LAFERTE and PHILIP**
12 **LESTER**, that in the commission of **Counts 1 through 66**, with the intent to do so, took property
13 of a value exceeding \$1,300,000 within the meaning of Penal Code section 12022.6(a)(3).

14
15 **12022.6(A)(1) PC SPECIAL ALLEGATION EXCESSIVE LOSS OVER \$65,000**

16 It is further alleged, with respect to defendant **JONATHAN BLINDER**, that in the
17 commission of **Counts 1, 9, 24 and 28**, with the intent to do so, took property of a value
18 exceeding \$65,000 within the meaning of Penal Code section 12022.6(a)(1).

19 **TOLLING OF THE STATUTE OF LIMITATIONS**

20 IT IS FURTHER ALLEGED, as described in Penal Code section 803(c), that each of the
21 above violations were not discovered until March 2009 at the earliest, by the victims named in
22 counts 1-66. A letter was sent out to all investors in September and October 2008, indicating that
23 interest payments would be suspended for six months due to economic conditions. Until the six
24 months has lapsed, and the lack of payments continued, no victim/investor had any reason to
25 suspect that fraud had occurred. No victim of said violations and no law enforcement agency
26 chargeable with the investigation and prosecution of said violations had actual and constructive
27 knowledge of said violations prior to spring of 2009, because no single victim had information or
28 knowledge about the nature and extent of the DEFENDANTS investments. Moreover, because

1 DEFENDANTS had a substantial history of paying the notes, the victims had no reason to
2 suspect that the securities the DEFENDANTS offered for investment were fraudulent within the
3 meaning of Penal Code section 803 subdivision (c).

4 MARSY'S LAW

5 Information contained in the reports being distributed as discovery in this case may
6 contain confidential information protected by Marsy's Law and the amendments to the State of
7 California Constitution Section 28. Any victim(s) in any above referenced charge(s) is entitled to
8 be safe and free from intimidation, harassment, and abuse. The defendants(s), defense counsel,
9 and any other person acting on behalf of the defendant(s) is admonished not to use any
10 information contained in the reports to locate or harass any victim or the victim(s)'s family and to
11 not disclose any information that is otherwise privileged and confidential by law. Additionally, it
12 is a misdemeanor violation of Penal Code Section 1054.2a(3) to disclose the address and
13 telephone number of a victim or witness to a defendant, defendant's family member, or anyone
14 else. Note exceptions provided in Penal Code Section 1054.2a(1) and (2).

15
16 Pursuant to Penal Code Section 1054.5(b), the People are hereby informally requesting
17 that defense counsel provide discovery to the people as required by Penal Code Section 1054.3.

18
19 Dated: September 18, 2012

Respectfully Submitted,

20 KAMALA D. HARRIS
Attorney General of California

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23 MAGGY KRELL
24 Deputy Attorney General
25 *Attorneys for People of the State of*
California

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