

3:37 pm, Apr 08, 2021

U.S. DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

AES:DCP/MR  
F. #2019R01653

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

- against -

RICHARD DALE STERRITT, JR.,  
also known as "Richard Richman,"  
MICHAEL GREER,  
ROBERT MAGNESS,  
MARK ROSS and  
ROBYN STRAZA,

Defendants.

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THE GRAND JURY CHARGES:

#### INTRODUCTION

At all times relevant to this Indictment, unless otherwise indicated:

#### I. Background

##### A. The Corrupt Companies and Related Entities

1. Zona Energy Inc. ("Zona Energy") was a company incorporated in the State of Texas and controlled by the defendant RICHARD DALE STERRITT, JR., also known as "Richard Richman." Zona Energy described its business as "a portfolio company of a family office focused on a generational opportunity in the independent oil and natural gas industry focused on the acquisition, development, exploration and exploitation of unconventional, onshore oil and natural gas reserves in the Permian Basin in West Texas." On or about June 29, 2020, a wholly owned subsidiary of the entity ERF Wireless, defined below, announced that it

#### INDICTMENT

Cr. No. **21-cr-00193 (KAM)(VMS)**

(T. 15, U.S.C., §§ 78j(b) and 78ff; T. 18, U.S.C., §§ 371, 981(a)(1)(C), 982(a)(1), 982(b)(1), 1349, 1956(h), 2 and 3551 et seq.; T. 21, U.S.C., § 853(p); T. 28, U.S.C., § 2461(c))

had completed a share exchange with Zona Energy whereby Zona Energy shareholders received shares of ERF Wireless. After the share exchange, Zona Energy ceased to exist as a separate corporation.

2. Richman Energy, Inc. ("Richman Energy") was a company incorporated in the State of Texas and controlled by the defendant RICHARD DALE STERRITT, JR.

3. The Richman Organization was a company incorporated in the State of Texas and controlled by the defendant RICHARD DALE STERRITT, JR.

4. Le Cle Minerals, Inc. ("Le Cle Minerals") was a company incorporated in the State of Texas and controlled by the defendant RICHARD DALE STERRITT, JR.

5. Legal Metrics Services, Inc. ("Legal Metrics") was a company based in Dallas, Texas and controlled by the defendant RICHARD DALE STERRITT, JR.

6. Accordant Services, Inc. ("Accordant") was a company based in Dallas, Texas and controlled by the defendant RICHARD DALE STERRITT, JR. Accordant purported to provide services to Zona Energy.

7. OrgHarvest Inc. ("ORGH") was a company originally incorporated in the State of Delaware in or about 1997. In or about May 2018, after multiple business and name changes, ORGH adopted the name "OrgHarvest, Inc." and announced plans to produce cannabis products. At all times relevant to this Indictment, ORGH had its principal place of business in Dallas, Texas and was controlled by the defendant RICHARD DALE STERRITT, JR. Until in or about June 2020, ORGH's common stock was quoted on OTC Link under the ticker symbol ORGH.

8. ERF Wireless, Inc. ("ERFB") was originally incorporated in the State of Texas under the name FleetClean Systems, Inc. In or about 2004, ERFB changed its name to

ERF Wireless, Inc. and moved its state of incorporation to Nevada. ERFB purported to provide wireless communications products and services, specifically to the oil and gas industry. At all times relevant to this Indictment, ERFB had its principal place of business in Dallas, Texas and was controlled by the defendant RICHARD DALE STERRITT, JR. As noted above, in or about June 2020, a subsidiary of ERFB entered into a share exchange with Zona Energy.

9. The Brokerage Firm, an entity the identity of which is known to the Grand Jury, was a registered broker-dealer based in Salt Lake City, Utah.

B. The Defendants and Relevant Co-Conspirators

10. The defendant RICHARD DALE STERRITT, JR. was a resident of the State of Texas and an undisclosed control person of multiple entities related to the Fraudulent Schemes (as defined below), including Zona Energy, ERFB, ORGH, Accordant, Legal Metrics, Richman Energy, the Richman Organization and others. In or about April 2003, STERRITT was convicted in the United States District Court for the Northern District of Texas of conspiracy to commit securities fraud and was sentenced to five years' imprisonment. In connection with the Fraudulent Schemes, STERRITT held himself out as "Richard Richman" and did not disclose his true identity or criminal background to investors in Zona Energy or ORGH.

11. The defendant MICHAEL GREER was a resident of the State of Texas and an acquaintance of the defendant RICHARD DALE STERRITT, JR. GREER was a Vice President of Accordant and a nominee shareholder of both Zona Energy and ORGH.

12. The defendant ROBERT MAGNESS was a resident of New York, New York and owned a clothing store in New York, New York. MAGNESS was a nominee member of the Board of Directors for Zona Energy, as well as the President of Legal Metrics and a member of



its Board of Directors. MAGNESS was also the nominee shareholder of ORGH stock that was controlled by the defendant RICHARD DALE STERRITT, JR.

13. The defendant MARK ROSS was a resident of the State of Florida and an associate of the defendant RICHARD DALE STERRITT, JR. ROSS was a principal of a brokerage firm that was shut down by the Financial Industry Regulatory Authority ("FINRA") in or about 2007 for, among other things, systemic violations of anti-money laundering rules.

14. The defendant ROBYN STRAZA was a resident of the State of Texas and the ex-wife of the defendant RICHARD DALE STERRITT, JR. STRAZA was the controlling shareholder of Le Cle Minerals and, at all times relevant to this Indictment, the Director of Le Cle Minerals.

15. Co-Conspirator 1, an individual whose identity is known to the Grand Jury, held a number of high-level positions at Richman Energy and Legal Metrics, was an employee of Accordant and was a close confidant of the defendant RICHARD DALE STERRITT, JR.

16. Co-Conspirator 2, an individual whose identity is known to the Grand Jury, held a number of high-level positions at Zona Energy, was a member of the Board of Directors of Richman Energy and was a close confidant of the defendant RICHARD DALE STERRITT, JR.

17. Co-Conspirator 3, an individual whose identity is known to the Grand Jury, was a registered broker at the Brokerage Firm.

18. Co-Conspirator 4, an individual whose identity is known to the Grand Jury, was a real estate lawyer, a Director and Registered Agent of Zona Energy and an associate of the defendant RICHARD DALE STERRITT, JR.



C. Relevant Principles and Definitions

19. “Demand notes” were loans without a fixed term of repayment schedule that can ordinarily be recalled at the loaner’s request.

20. “Over-the-counter” (“OTC”) referred to the process by which securities of public companies that were not listed on a centralized exchange, such as the New York Stock Exchange or NASDAQ, were traded. OTC trades occurred over a broker-dealer network. Penny stocks were typically traded OTC.

21. “Matched trades” were the simultaneous purchase and sale of securities by parties that coordinated with each other as to the price and size of the trades. For example, a matched trade took place when Investor A bought 100 shares at \$5.00 per share of Company A through a broker, while Investor B, who coordinated with Investor A, simultaneously sold 100 shares at \$5.00 per share of Company A through a broker. Matched trades were used to create the false appearance that the stock price and/or trading volume increased as a result of genuine market demand for the securities.

II. The Fraudulent Schemes

22. In or about and between March 2018 and January 2021, the defendants RICHARD DALE STERRITT, JR., MICHAEL GREER, ROBERT MAGNESS and MARK ROSS, together with others, devised and engaged in a series of related fraudulent schemes in which they agreed to engage in an offering fraud in the securities of Zona Energy (the “Zona Energy Offering” or the “Zona Energy Offering Fraud”) and to manipulate the price and trading volume of publicly traded shares of ORGH (the “ORGH Market Manipulation,” and, together with the Zona Energy Offering or the Zona Energy Offering Fraud, the “Fraudulent Schemes”). In addition, STERRITT, GREER, MAGNESS, ROSS and the defendant ROBYN STRAZA, together with others, laundered the proceeds of the Fraudulent Schemes by facilitating financial

transactions to conceal and promote the Fraudulent Schemes, including by transferring investor funds through a series of bank accounts controlled by the defendants.

A. The Zona Energy Offering Fraud

23. In or about and between March 2018 and January 2021, the defendants RICHARD DALE STERRITT, JR., MICHAEL GREER and MARK ROSS engaged in the Zona Energy Offering Fraud, which raised approximately \$16 million in investor funds through the sale of shares of Zona Energy and ERFB through a series of material misrepresentations and omissions regarding, inter alia, Zona Energy's performance and STERRITT's background and involvement in Zona Energy. The co-conspirators then misappropriated the proceeds of the Zona Energy Offering Fraud by spending millions of dollars on luxury items, paying personal expenses and funneling funds into unrelated business endeavors.

i. The Zona Energy Sublease

24. The La Escalera Ranch (the "Ranch") was a 220,000-acre working cattle ranch in the Permian Basin of West Texas, an area with oil and gas deposits. The owners of the Ranch had, at various times relevant to this Indictment, leased mineral rights to third parties.

25. On or about April 14, 2018, Le Cle Minerals, an entity controlled by the defendant RICHARD DALE STERRITT, JR., agreed to lease mineral rights on the Ranch from a third-party lessee.

26. On or about April 15, 2018, Le Cle Minerals assigned the leasehold mineral rights to the Ranch to Richman Energy, another entity controlled by the defendant RICHARD DALE STERRITT, JR.

27. On or about May 30, 2018, Richman Energy assigned the same leasehold mineral rights interest to Zona Energy. As a part of that sublease, Zona Energy signed demand

notes indebteding it to Richman Energy for approximately \$20 million. The terms of the original sublease signed by Le Cle Minerals, which was assumed by Zona Energy, required Zona Energy to do the following by August 31, 2018: (a) drill an initial well; (b) extend the lease agreement at a significant cost; or (c) pay liquidated damages. The terms of the sublease further obligated Zona Energy to maintain a continuous drilling program of at least two wells per year starting in 2019 and to make over \$12 million in acquisition payments by 2022 or be subject to immediate termination of the sublease.

ii. The Zona Energy Offering

28. Beginning in or about April 2018, the defendants RICHARD DALE STERRITT, JR., ROBERT MAGNESS, MICHAEL GREER and MARK ROSS, together with others, began offering shares of Zona Energy and marketing those shares to investors and potential investors based on the leasehold interest in the Ranch.

29. The defendants RICHARD DALE STERRITT, JR., ROBERT MAGNESS, MARK ROSS and MICHAEL GREER, together with others, including individuals who helped market the stock (the "Promoters") and Co-Conspirator 4, used a variety of materials to recruit investors to invest in the Zona Energy Offering. These materials included a packet of marketing materials (the "Zona Offering Summary") and a promotional presentation (the "Zona Presentation") (collectively, the "Zona Offering Materials"). The Zona Offering Summary incorporated by reference the Zona Presentation. Specifically, STERRITT directed the Promoters to send the Zona Offering Summary to prospective investors, and, when investors expressed interest in purchasing Zona Energy stock, to provide the investors with the Zona Presentation. The Promoters personally benefited from the offering scheme, as they received



the option to buy Zona Energy shares at a discount in exchange for recruiting friends, family, coworkers and clients to invest.

30. The Zona Offering Materials included several false and misleading statements about the Zona Energy Offering, and omitted material information, including the following:

(a) The Zona Offering Summary and the Zona Presentation each described the offering as the initial sale of three million shares issued by Zona Energy at \$1.00 per share. However, as detailed below, many of the shares that were provided to investors were not issued by the company.

(b) The Zona Offering Summary and the Zona Presentation each stated that the proceeds of the offering would be used for “leasehold acquisitions and for other general business purposes.” Instead, as detailed below, the majority of the proceeds from the offering were not used for these purposes.

(c) The Zona Offering Summary and the Zona Presentation each failed to disclose the involvement in Zona Energy of the defendant RICHARD DALE STERRITT, JR., his control over the company and his prior criminal history.

(d) The Zona Offering Summary misrepresented the role of Zona Energy’s actual management, including a geologist who had been retained by the original lessor.

(e) The Zona Offering Summary misrepresented the commercial viability and cash flow prospects of the company.

31. The defendants RICHARD DALE STERRITT, JR., ROBERT MAGNESS, MICHAEL GREER, MARK ROSS and others, including Co-Conspirator 4, used the false and misleading Zona Offering Materials to recruit investors.

32. Once a prospective investor expressed an interest in purchasing shares of Zona Energy, the prospective investor was instructed to contact Co-Conspirator 2 to finalize the investment. When corresponding with investors, Co-Conspirator 2 used an "@zonaenergy" email address and identified him/herself as Zona Energy's Corporate Secretary. Furthermore, Co-Conspirator 2 was described in the Zona Offering Materials as Zona Energy's "Director, Corporate Secretary, & Investor Relations."

33. At the direction of the defendant RICHARD DALE STERRITT, JR., Co-Conspirator 2 sold shares of Zona Energy to investors not only directly from the company, but also from other entities that STERRITT controlled, including Richman Energy, and from the defendant MICHAEL GREER. STERRITT further directed Co-Conspirator 1 to sign important documents as an officer and on behalf of the entities under STERRITT's control that were selling the shares. Based on the Zona Offering Materials and statements by the Promoters and others, prospective investors believed that they were purchasing shares directly from Zona Energy.

34. To finalize the stock sales, Co-Conspirator 2, at the direction of the defendant RICHARD DALE STERRITT, JR., provided prospective investors with a securities purchase agreement for Zona Energy shares and wiring instructions for a bank account to deposit the purchase amount. The bank accounts that Co-Conspirator 2 provided to investors were often

in the name of entities controlled by STERRITT, such as Richman Energy, the Richman Organization and others.

35. Contrary to the information provided to the investors in the Zona Offering Materials, the majority of the funds that were wired by investors to purchase Zona Energy stock were never sent to Zona Energy and were never used for Zona Energy's corporate purposes. Instead, at the direction of the defendant RICHARD DALE STERRITT, JR., the funds were sent to entities controlled by STERRITT or directly to the defendant MICHAEL GREER.

36. Co-Conspirator 1, who communicated with investors and prospective investors in Zona Energy, knew that the defendant RICHARD DALE STERRITT, JR. controlled the entities to which investors wired money and knew that some of the funds provided by investors were never sent to Zona Energy. Co-Conspirator 2 tracked the funds raised from the sale of Zona Energy shares in tracking spreadsheets that were reviewed by STERRITT, despite the fact that STERRITT had no disclosed role with Zona Energy.

37. In total, in or about and between March 2018 and November 2020, the defendants RICHARD DALE STERRITT, JR., MICHAEL GREER, ROBERT MAGNESS and MARK ROSS raised more than \$16 million from at least 300 investors in the Zona Energy Offering. Of that amount, only approximately \$800,000 was sent directly to Zona Energy; the remainder was sent to GREER or to entities controlled by STERRITT.

iii. Misappropriation of Investor Funds and the Scheme to Launder Proceeds of the Zona Energy Offering Fraud

38. As detailed above, investors and potential investors in Zona Energy were told by the defendants RICHARD DALE STERRITT, JR., MICHAEL GREER, ROBERT MAGNESS, MARK ROSS and others that the investment funds they provided would be used to support Zona Energy's operations, specifically, to develop the oil and gas operations on the



Ranch. The Zona Offering Materials were consistent with what the investors were told regarding how the investment proceeds would be used and stated that the proceeds of the stock sale would be used for “leasehold acquisitions and for other general business purposes” and “to fund legal and administrative expenses for this offering.”

39. Instead of using investor funds to develop Zona Energy as disclosed in the Zona Offering Materials, the defendants RICHARD DALE STERRITT, JR., MICHAEL GREER, MARK ROSS and others misappropriated large portions of the investor funds raised in the Zona Energy Offering for their personal use or to send to other companies controlled by STERRITT that were not disclosed to investors in Zona Energy.

40. To facilitate the misappropriation of funds from the Zona Energy Offering, the defendants RICHARD DALE STERRITT, JR., MICHAEL GREER, MARK ROSS and ROBYN STRAZA, together with others, engaged in a scheme to launder investor money from the sale of Zona Energy shares among and between bank accounts controlled by STERRITT, GREER and STRAZA, including accounts for Richman Energy, the Richman Organization, Accordant and Le Cle Minerals. In some cases, investor funds were wired between bank accounts for multiple entities in the name of GREER and STRAZA, or their entities, before they were used to pay personal expenses of STERRITT, GREER and STRAZA; purchase luxury goods, including plastic surgery; or provide cash to STERRITT’s family, friends and girlfriends and to ROSS. Although a small percentage of investor funds that had been sent to STERRITT’s entities were used for Zona Energy, significantly more funds were used to invest in unrelated businesses in which STERRITT had an interest, such as ORGH or ERFB. ROSS and members of his immediate family received more than \$200,000 in cash from STERRITT-controlled entities. Some of those funds were provided to ROSS by STERRITT-controlled

entities pursuant to a sham consulting agreement, and it was not disclosed to investors recruited by ROSS to purchase Zona Energy stock that ROSS would receive payments out of investor funds.

41. For example, in or about January 2019, two bank accounts at Accordant and Richman Energy controlled by the defendant RICHARD DALE STERRITT, JR. and which had almost no money, received a series of deposits totaling nearly \$3.4 million from 83 investments for the purchase of Zona Energy shares. STERRITT misappropriated a majority of those funds, including by transferring over \$2.6 million to accounts in the name of the defendant ROBYN STRAZA, approximately \$80,000 to the defendant MICHAEL GREER and over \$80,000 to one of STERRITT's girlfriends and her family. STERRITT and GREER also used more than \$50,000 to purchase a Bentley, which was registered in GREER's name, and spent tens of thousands of dollars at restaurants and retailers.

42. The defendant MICHAEL GREER also used funds provided by Zona Energy investors to finance unrelated businesses for the defendant RICHARD DALE STERRITT, JR., to wire cash to STERRITT's girlfriends, to withdraw cash and to make numerous purchases at restaurants and retail establishments. In addition, millions of dollars of Zona Energy investor funds were transferred through multiple accounts in the defendant ROBYN STRAZA's name and then used to purchase luxury items or finance unrelated projects. For example, on or about April 22, 2019, \$200,000 in Zona Energy investor funds were sent to an Accordant bank account controlled by STERRITT. On or about and between April 22, 2019 and April 23, 2019, the same Accordant bank account received a total of \$137,000 from a Richman Energy bank account. On or about April 23, 2019, \$300,000 was wired from the Accordant bank account to a bank account belonging to STRAZA at the same financial

institution. On or about April 26, 2019, STRAZA transferred \$300,000 to a different account belonging to STRAZA at the same financial institution. On or about April 26, 2019, the same day as the prior transfer, \$275,000 was transferred from STRAZA's account to another account at a different financial institution to fund an unrelated project in the entertainment industry. STRAZA's account retained \$25,000 of the original Zona Energy investor funds.

43. On or about March 17, 2020, an investor in Zona Energy ("Investor-1") wired \$400,000 into a bank account for the Richman Organization that was under the control of the defendants RICHARD DALE STERRITT, JR. and MICHAEL GREER. Investor-1 believed that the investment would improve the oil and gas properties at Zona Energy and discussed the purpose of the investment with STERRITT. The next day, on or about March 18, 2020, GREER withdrew \$350,000 from the same bank account at the Richman Organization. That same day, \$350,000 was deposited into a bank account in the name of the defendant ROBYN STRAZA, and \$350,000 was then transferred from STRAZA's bank account to her account at a brokerage firm specializing in electronic trading. Thereafter, on or about and between March 18, 2020 and March 27, 2020, STRAZA purchased \$261,000 in stocks of publicly traded companies, including ERFB, ORGH, another cannabis company and large companies in the oil and gas sector. On or about March 23, 2020, STRAZA withdrew \$33,000 from her brokerage account and deposited it in a bank account in her name.

44. The defendant RICHARD DALE STERRITT, JR. also improperly used Zona Energy investor funds to further his other businesses, without disclosing to investors how those funds would be used. For example, STERRITT had asked another investor based in the Eastern District of New York ("Investor-2"), who had previously invested in Zona Energy, to contribute funds to a cannabis company over which STERRITT was trying to gain control.



Investor-2 declined to invest in the cannabis company. Nevertheless, funds that Investor-2 had sent to Zona Energy in or about March 2020 to a STERRITT-controlled bank account at the Richman Organization were invested not in Zona Energy, but in First Seed Farms, another cannabis company controlled by STERRITT, without Investor-2's knowledge.

45. The defendant RICHARD DALE STERRITT, JR. also used investor funds from Zona Energy to fund payments to dissatisfied earlier investors. For example, in or about January 2020, a dissatisfied former Richman Energy employee emailed a number of Zona Energy investors, disclosing STERRITT's prior criminal history and attaching a photocopy of STERRITT's driver's license with his real name. At least one investor confronted STERRITT and demanded the return of their \$30,000 Zona Energy investment. Although Zona Energy had produced no revenue from drilling, in or about March 2020, STERRITT used new investor funds to return \$30,000, plus interest, to the dissatisfied investor.

46. The misappropriation of Zona Energy investor funds was openly discussed among the defendants and their co-conspirators. For example, on or about November 7, 2019, a former employee of Zona Energy (the "Zona Energy Employee") met with the defendant ROBERT MAGNESS, along with Co-Conspirator 2, Co-Conspirator 4 and a senior executive of Zona Energy. The Zona Energy Employee informed the other meeting attendees that Zona Energy investors were being lied to about the use of proceeds, that control exerted by the defendant RICHARD DALE STERRITT, JR. over the company was both improper and hidden from investors and that STERRITT was misappropriating investor funds.

47. Similarly, on or about November 22, 2019, the Zona Energy Employee wrote an email to the defendant RICHARD DALE STERRITT, JR., Co-Conspirator 1, Co-Conspirator 2, Co-Conspirator 4 and other Zona Energy employees that certain inter-company

transfers of Zona Energy investor funds appeared to have “no notes or documentation,” that “no apparent business purpose existed as a rational for such transfers” and that “no true cash management protocols, nor internal controls...have been in place at the [sic] most if not all the Richman related companies.” Zona Energy Employee also wrote that the situation was “so bad it looks intentional and nefarious.” STERRITT terminated the Zona Energy Employee’s employment less than a month after the email was sent.

48. In total, despite raising approximately \$16 million by on or about November 2020, Zona Energy failed to meet the terms of its sublease, in particular by failing to drill two wells per year and failing to meet the annual acreage acquisition required by the sublease to maintain the mineral rights in the Ranch. Rather, less than \$5 million of investor funds (comprised of the approximately \$800,000 in investor funds that were sent directly to Zona Energy and additional investor funds that were funneled to and through other STERRITT entities) were used to drill a single “scientific” well. The well was never completed, never produced any oil or natural gas and never connected to a pipeline, though the fact that some drilling had occurred was used to raise additional money from investors. The well’s vendors have since sued Zona Energy and its operator for at least \$163,000 of unpaid invoices.

B. The ORGH Market Manipulation Scheme

49. In or about and between February 2020 and June 2020, the defendants RICHARD DALE STERRITT, JR., ROBERT MAGNESS and MARK ROSS, together with others, engaged in a pump-and-dump scheme involving ORGH stock. The co-conspirators engaged in matched trading to artificially inflate the price of ORGH shares, and coordinated those ORGH trades with a law enforcement agent posing as a corrupt stock promoter (the

“Undercover Agent”), who they believed controlled a team of corrupt brokers who would buy the artificially inflated ORGH stock in their customers’ accounts.

50. The defendant RICHARD DALE STERRITT, JR. and his co-conspirators told investors and potential investors in Zona Energy that the company’s long-term plan was to take Zona Energy public so that the investors could sell their Zona Energy shares and make a profit. At least as early as 2018, the Zona Offering Summary described the “Path to Development” for the company as a “share exchange of Zona shareholders by [sic] publicly traded company.” Over the course of the next two-and-a-half years, Zona Energy investors were informed of at least three public companies as possible merger candidates, including ORGH and ERFB, both companies that STERRITT secretly controlled.

51. As detailed above, as of early 2020, Zona Energy was generating no oil revenue, and the defendant RICHARD DALE STERRITT, JR. and his co-conspirators had spent most of Zona Energy investors’ money on personal expenses and other businesses. In an attempt to raise revenue and hide the misappropriation from, and true financial condition of, Zona Energy, STERRITT and his co-conspirators decided to execute a reverse merger between Zona Energy and a public company that was traded OTC, which they could use to pump and dump the shares they would acquire through swaps of private Zona Energy shares for those of the intended reverse merger target.

52. In or about January 2020, the defendant RICHARD DALE STERRITT, JR. gained control of ORGH when several entities and trusts set up in the name of STERRITT’s family members, close friends and co-conspirators tendered Zona Energy shares to the previous shareholders of ORGH in exchange for ORGH shares. Co-Conspirator 2 subsequently created a



spreadsheet for STERRITT that tracked the shares owned by the various entities and individuals under STERRITT's control. Those shares comprised the majority of outstanding ORGH stock.

53. One of the entities that acquired shares of ORGH was Legal Metrics, of which the defendant ROBERT MAGNESS and Co-Conspirator 1 were directors. In or about February 2020, MAGNESS opened an account at the Brokerage Firm in the name of Legal Metrics and deposited 5,250,000 ORGH shares.

54. Following the deposit of those shares, the defendants RICHARD DALE STERRITT, JR., ROBERT MAGNESS and MARK ROSS, together with others, planned to use the ORGH shares in the Legal Metrics account at the Brokerage Firm to engage in a pump-and-dump scheme employing matched trading.

i. Fraudulent Matched Trading in ORGH Stock

55. To accomplish the pump-and-dump scheme, beginning in or about February 2020, the defendants RICHARD DALE STERRITT, JR., ROBERT MAGNESS and MARK ROSS, together with others, worked with the Undercover Agent to engage in fraudulent trading activity of ORGH shares.

56. In or about and between February 2020 and June 2020, the Undercover Agent, while located in the Eastern District of New York, engaged in a series of consensually recorded calls with the defendant RICHARD DALE STERRITT, JR. and/or the defendants ROBERT MAGNESS and MARK ROSS to discuss the matched trading scheme. As part of the matched trading scheme, STERRITT intended to sell the ORGH shares that he controlled at inflated prices and create a misleading appearance of active trading in ORGH at the inflated prices. The Undercover Agent informed STERRITT that he had a team of brokers based in the

Eastern District of New York that, at STERRITT's request, could control the sale of ORGH shares to their clients at a price set by STERRITT.

57. On or about March 30, 2020, the defendant RICHARD DALE STERRITT, JR. informed the Undercover Agent on a consensually recorded call that he could control the trading in ORGH shares because he had "[one] hundred percent control" over the ORGH shares deposited at the Brokerage Firm.

58. On or about April 15, 2020, the defendant RICHARD DALE STERRITT, JR. informed the Undercover Agent that he intended to sell 40 to 50 million shares of ORGH that he controlled through his nominees at a target price of \$2.00 per share, which far exceeded the prior share price of ORGH stock. Soon thereafter, STERRITT and the Undercover Agent agreed to engage in a series of smaller matched trades as tests to ensure that they could properly execute the matched trades before trading tens of millions of shares.

59. On or about and between May 19, 2020 and May 29, 2020, the defendants RICHARD DALE STERRITT, JR., ROBERT MAGNESS and MARK ROSS, together with others, worked with the Undercover Agent and engaged in matched trading of ORGH stock, coordinating the trades through a series of consensually recorded calls and text messages.

Matched trading occurred on each of the trading days in that time period, at increasing volume.

The trades occurred on the following dates and prices per share:

Date	Price
May 19, 2020	\$0.99
May 20, 2020	\$0.98
May 21, 2020	\$1.26
May 22, 2020	\$1.44
May 26, 2020	\$1.62
May 27, 2020	\$1.52
May 28, 2020	\$1.72
May 29, 2020	\$1.65

60. For example, on or about May 19, 2020, the defendants RICHARD DALE STERRITT, JR. and ROBERT MAGNESS agreed with the Undercover Agent, on a consensually recorded conference call, to trade a specific number of ORGH shares and the price at which those shares would be traded. MAGNESS agreed with STERRITT and the Undercover Agent that they would make a series of smaller, test matched trades before moving on to trade \$100 million in ORGH stock. After making that agreement and with the conference line still open so that STERRITT and the Undercover Agent could hear the call, MAGNESS called Co-Conspirator 3, a registered representative at the Brokerage Firm, to place an order to sell ORGH shares owned by Legal Metrics at a pre-arranged sale price, just below the best offer price for the day of \$1.00 per share. MAGNESS stated to Co-Conspirator 3 that he wanted to sell 1,000 shares at \$0.99 per share. As soon as Co-Conspirator 3 posted the offer from MAGNESS, the Undercover Agent placed a buy order, purchasing the shares offered by



MAGNESS and completing the matched trade.

61. On or about May 20, 2020, the defendant RICHARD DALE STERRITT, JR. exchanged text messages with the Undercover Agent confirming that they would engage in matched trading at 2:00 p.m. and would speak by telephone to confirm the trades. Near the pre-appointed time, the defendant ROBERT MAGNESS, with STERRITT and the Undercover Agent listening to the call but unannounced, spoke by telephone with Co-Conspirator 3 and placed the trade in ORGH.

62. On or about May 28, 2020, the defendant ROBERT MAGNESS called Co-Conspirator 3 to place an order to sell ORGH shares owned by Legal Metrics at a pre-arranged sale price, previously communicated by the defendant RICHARD DALE STERRITT, JR. to the Undercover Agent, which was just below the best offer price of \$1.74 per share at that point in the day. With the conference line still open so that the Undercover Agent could hear the call, MAGNESS stated to Co-Conspirator 3 that he wanted to sell 3,500 ORGH shares at \$1.72 per share. Moments after Co-Conspirator 3 posted the offer from MAGNESS, the Undercover Agent placed a buy order, purchasing the shares offered by MAGNESS and completing the matched trade. STERRITT later confirmed with the Undercover Agent that the matched trade had been successful.

63. On or about May 28, 2020, the defendant MARK ROSS had a consensually recorded conversation with the defendant RICHARD DALE STERRITT, JR. and the Undercover Agent in which they discussed the matched trading of ORGH stock. ROSS and the Undercover Agent discussed engaging in matched trading of ORGH stock, including ROSS obtaining trading authorization for ORGH shares held by Legal Metrics. On that call, ROSS complimented the Undercover Agent's matched trading, stating that he "like[d] [the Undercover

Agent's] work so far. I mean I – it's been flawless – what you've been doing, is just perfect. Perfect."

64. On or about May 29, 2020, following conversations with the defendants RICHARD DALE STERRITT, JR., ROBERT MAGNESS and MARK ROSS, MAGNESS signed paperwork granting ROSS trading authority for stock owned by Legal Metrics. On or about the same day, May 29, 2020, ROSS, following discussions with STERRITT, agreed with the Undercover Agent to trade a pre-arranged number of ORGH shares at a pre-arranged price. In a consensually recorded call, ROSS told the Undercover Agent, "I told [Co-Conspirator 3] before at 165. I just got to tell him to put it in." In response, the Undercover Agent stated, "I'll bid for it at a buck sixty-five and we'll take you guys out," to which ROSS responded "terrific."

65. Later the same day, on or about May 29, 2020, Legal Metrics, through trades instigated by the defendant MARK ROSS, sold more than 3,000 shares of ORGH via a matched trade to the Undercover Agent at a price of \$1.65 per share.

66. On or about May 29, 2020, the defendant ROBERT MAGNESS transferred some of the proceeds of the matched trading, which totaled more than \$24,000 from an account at the Brokerage Firm in the name of Legal Metrics to bank accounts at Legal Metrics controlled by the defendant RICHARD DALE STERRITT, JR. and MAGNESS. STERRITT and MAGNESS spent the proceeds of the matched trading on personal expenses.

67. On or about June 1, 2020, the United States Securities and Exchange Commission ("SEC") suspended trading in ORGH securities for a period of ten days.

68. On or about June 7, 2020, after the SEC suspended trading in ORGH securities, the defendant ROBERT MAGNESS left New York, New York and flew from the Eastern District of New York to Dallas, Texas to meet with the defendant RICHARD DALE

STERRITT, JR. and discuss how to conceal the fraudulent matched trading. During that meeting, MAGNESS stated that the “only way [the matched trading] could ever come back” and be traced to the co-conspirators was if authorities realized that there were communications between the Undercover Agent, STERRITT and MAGNESS about coordinating the matched trading.

69. Throughout the ORGH Market Manipulation, the defendants RICHARD DALE STERRITT, JR. and MARK ROSS used pre-paid cellular telephones to communicate and engage in the matched trading of ORGH stock under the belief that their conversations would not be recorded. STERRITT further told the Undercover Agent that he was going to send him an encrypted cellular telephone and instructed him to use it to engage in matched trading, but never actually sent the encrypted telephone.

ii. Fraudulent Kickbacks to the Undercover Agent

70. As part of the fraudulent matched trading in ORGH stock, the defendants RICHARD DALE STERRITT, JR., MICHAEL GREER, ROBERT MAGNESS and MARK ROSS agreed to make hidden kickback payments to the Undercover Agent in exchange for the placement of fraudulently inflated ORGH shares with the purported clients of brokers working for the Undercover Agent. STERRITT, GREER, MAGNESS, ROSS and the Undercover Agent agreed that the Undercover Agent would be paid 35 percent of the value of the trades as a kickback for engaging in the fraudulent matched trading.

71. On or about April 15, 2020, the defendant RICHARD DALE STERRITT, JR. stated to the Undercover Agent that he would disguise the kickback payments as “marketing fees.” STERRITT later stated he would explain communications with the Undercover Agent about the matched trading as communications related to a business to sell facemasks during the



COVID-19 pandemic, a business with which the Undercover Agent was not involved. STERRITT further suggested to the Undercover Agent that he might make the kickback payments in the cryptocurrency Bitcoin because it would be the safest way to conceal the payments.

72. On or about May 26, 2020, the defendants RICHARD DALE STERRITT, JR. and MICHAEL GREER sent a wire payment of \$2,650 to the Undercover Agent at a bank account in the Eastern District of New York as a kickback for engaging in the matched trading scheme. In addition, on or about May 29, 2020, STERRITT and GREER sent a wire payment of \$7,800 to the Undercover Agent at a bank account in the Eastern District of New York as a kickback for engaging in the matched trading scheme.

iii. Attempted ERFB Stock Manipulation

73. After the SEC suspended trading in ORGH, the defendant RICHARD DALE STERRITT, JR. engaged in a similar offering fraud and market manipulation scheme involving ERFB stock. As with ORGH, STERRITT secretly controlled ERFB through a web of nominee shareholders who were his close friends, family and co-conspirators.

74. As detailed above, in or about June 2020, Zona Energy and ERFB completed a share exchange in which Zona Energy investors received ERFB shares and a subsidiary of ERFB acquired Zona Energy.

75. On or about November 19, 2020, ERFB applied to FINRA for authorization to complete a 10,000:1 reverse stock split of ERFB's outstanding stock and a name change to "Zona." That application was denied by FINRA on or about January 28, 2021, with FINRA citing ERFB's failure to remain current in its reporting requirements and a prior cease-

and-desist order. Nonetheless, the same day, ERFB issued a press release announcing the reverse split of its common stock that FINRA had just denied.

76. On or about and between June 9, 2020 and January 30, 2021, the defendant RICHARD DALE STERRITT, JR. discussed plans with the Undercover Agent to begin matched trading in ERFB stock after the reverse stock split was completed.

77. On or about June 9, 2020, just days after the SEC halted trading in ORGH stock, the defendant RICHARD DALE STERRITT, JR. had a consensually recorded telephone call with the Undercover Agent in which STERRITT and the Undercover Agent discussed engaging in fraudulent securities schemes, including a similar matched trading scheme involving ERFB shares.

78. On or about November 30, 2020, the defendant RICHARD DALE STERRITT, JR. participated in two consensually recorded telephone calls with the Undercover Agent to discuss potential matched trading in ERFB stock. STERRITT claimed to the Undercover Agent that the contemplated stock manipulation scheme could cause ERFB's stock price to increase to \$60 to \$100 per share. STERRITT further told the Undercover Agent that ERFB had filed the required paperwork for the reverse split ten days earlier and claimed that after the reverse split, the outstanding shares of ERFB would be reduced. STERRITT stated that this would make it easier to engage in successful matched trading because, following the reverse split, no individual shareholder besides STERRITT would own more than 500 tradable shares of ERFB. As a result, STERRITT stated that he and the Undercover Agent would engage in matched trades in blocks of 10,000 to 20,000 shares, which would ensure that the shares would properly cross to one another. STERRITT told the Undercover Agent that he

himself would be doing the trading with shares he controlled and agreed to again provide a kickback of 35 percent to the Undercover Agent.

79. On or about December 10, 2020, the defendant RICHARD DALE STERRITT, JR. told the Undercover Agent that it was important to him that the Undercover Agent's corrupt brokers retain the stock for an extended period of time to maintain the stock price. STERRITT stated that he needed the stock price of ERFB to hold steady so that he could use the stock as a valuable currency to make acquisitions.

80. On or about January 30, 2021, the defendant RICHARD DALE STERRITT, JR. told the Undercover Agent again that he planned to use ERFB stock as currency to acquire assets and had already identified companies that he would like to buy. STERRITT stated that he planned on making the acquisition once the manipulated stock reached \$40 to \$50 dollars per share, and again told the Undercover Agent that he needed his corrupt brokers to hold the ERFB stock for at least a year for STERRITT to be able to make the planned acquisitions.

81. On or about February 4, 2021, the SEC suspended trading in ERFB stock. The next day, on or about February 5, 2021, ERFB issued a press release claiming that "the reverse split did not happen as anticipated and reported by the Company due to inaccurate advice from an outside technical advisor. This error has also caused a ten-day trading halt as directed by the SEC." These statements were false. FINRA denied the reverse split for the reasons in its release, not because of inaccurate advice from a technical advisor. Moreover, as the SEC noted when it suspended trading in ERFB, the suspension was because of questions regarding the accuracy of information in the marketplace.



COUNT ONE

## (Conspiracy to Commit Securities Fraud)

82. The allegations contained in paragraphs one through 81 are realleged and incorporated as if fully set forth in this paragraph.

83. In or about and between March 2018 and February 2021, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants RICHARD DALE STERRITT, JR., also known as "Richard Richman," MICHAEL GREER, ROBERT MAGNESS and MARK ROSS, together with others, did knowingly and willfully conspire to use and employ one or more manipulative and deceptive devices and contrivances, contrary to Rule 10b-5 of the Rules and Regulations of the United States Securities and Exchange Commission, Title 17, Code of Federal Regulations, Section 240.10b-5, by: (i) employing one or more devices, schemes and artifices to defraud; (ii) making one or more untrue statements of material fact and omitting to state one or more material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (iii) engaging in one or more acts, practices and courses of business which would and did operate as a fraud and deceit upon one or more investors and potential investors in Zona Energy and ORGH, in connection with the purchase and sale of investments in Zona Energy and ORGH, directly and indirectly, by use of means and instrumentalities of interstate commerce and the mails, contrary to Title 15, United States Code, Sections 78j(b) and 78ff.

84. In furtherance of the conspiracy and to effect its objects, within the Eastern District of New York and elsewhere, the defendants RICHARD DALE STERRITT, JR., also known as "Richard Richman," MICHAEL GREER, ROBERT MAGNESS and MARK ROSS, together with others, did commit and cause the commission of, among others, the following:

OVERT ACTS

- (a) In or about January 2019, accounts controlled by STERRITT received deposits for the purchase of Zona Energy shares totaling nearly \$3.4 million.
- (b) In or about January 2019, STERRITT misappropriated Zona Energy investor funds by transferring over \$2.7 million to GREER, the defendant ROBYN STRAZA and others, for personal expenses and luxury items.
- (c) On or about March 30, 2020, STERRITT informed the Undercover Agent on a consensually recorded telephone call that he could control the trading in ORGH shares because he had “hundred percent control” over the ORGH shares deposited at the Brokerage Firm.
- (d) On or about April 15, 2020, STERRITT informed the Undercover Agent that he intended to sell 40 to 50 million shares of ORGH that he controlled through his nominees at a target price of \$2.00 per share, which far exceeded the prior share price for ORGH stock.
- (e) On or about April 15, 2020, STERRITT and the Undercover Agent agreed to engage in a series of smaller, test matched trades of ORGH stock, to ensure they could properly execute the matched trades before trading tens of millions of shares.
- (f) On or about April 15, 2020, STERRITT stated to the Undercover Agent on a telephone call that he would disguise kickback payments to the Undercover Agent as “marketing fees.”
- (g) On or about May 19, 2020, MAGNESS agreed with STERRITT and the Undercover Agent, on a consensually recorded conference call, to first make a series of

smaller, test matched trades to ensure the mechanics of the trading functioned properly, before moving on to trade more than \$100 million of ORGH stock.

(h) On or about May 19, 2020, STERRITT and MAGNESS agreed with the Undercover Agent, on a consensually recorded conference call, to trade a specific number of ORGH shares and the price at which those shares would be traded.

(i) On or about May 19, 2020, MAGNESS, Co-Conspirator 3 and the Undercover Agent completed a pre-arranged matched trade of ORGH shares.

(j) On or about May 26, 2020, STERRITT and GREER sent a wire payment of \$2,650 to the Undercover Agent at a bank account in the Eastern District of New York as a kickback for engaging in the ORGH matched trading scheme.

(k) On or about May 28, 2020, MAGNESS, Co-Conspirator 3 and the Undercover Agent completed a matched trade of ORGH shares, which STERRITT later confirmed with the Undercover Agent.

(l) On or about May 29, 2020, following conversations with STERRITT, MAGNESS signed paperwork granting ROSS trading authority for stock owned by Legal Metrics.

(m) On or about May 29, 2020, following conversations with STERRITT, ROSS agreed with the Undercover Agent to complete a matched trade of ORGH shares.



(n) On or about May 29, 2020, STERRITT and GREER sent a wire payment of \$7,800 to the Undercover Agent at a bank account in the Eastern District of New York as a kickback for engaging in the ORGH matched trading scheme.

(Title 18, United States Code, Sections 371 and 3551 et seq.)

COUNT TWO  
(Conspiracy to Commit Wire Fraud)

85. The allegations contained in paragraphs one through 81 are realleged and incorporated as if fully set forth in this paragraph.

86. In or about and between March 2018 and January 2021, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants RICHARD DALE STERRITT, JR., also known as “Richard Richman,” MICHAEL GREER, ROBERT MAGNESS and MARK ROSS, together with others, did knowingly and intentionally conspire to devise a scheme and artifice to defraud one or more investors and potential investors in Zona Energy and ORGH, and to obtain money and property from them by means of one or more materially false and fraudulent pretenses, representations and promises, and for the purpose of executing such scheme and artifice, to transmit and cause to be transmitted by means of wire communication in interstate and foreign commerce writings, signs, signals, pictures and sounds, contrary to Title 18, United States Code, Section 1343.

(Title 18, United States Code, Sections 1349 and 3551 et seq.)

COUNT THREE  
(Securities Fraud – The Zona Energy Scheme)

87. The allegations contained in paragraphs one through 81 are realleged and incorporated as if fully set forth in this paragraph.

88. In or about and between March 2018 and January 2021, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants RICHARD DALE STERRITT, JR., also known as “Richard Richman,” MICHAEL GREER and MARK ROSS, together with others, did knowingly and willfully use and employ one or more manipulative and deceptive devices and contrivances, contrary to Rule 10b-5 of the Rules and Regulations of the United States Securities and Exchange Commission, Title 17, Code of Federal Regulations, Section 240.10b-5, by: (a) employing one or more devices, schemes and artifices to defraud; (b) making one or more untrue statements of material fact and omitting to state one or more material facts necessary in order to make the statements made, in light of the circumstances in which they were made, not misleading; and (c) engaging in one or more acts, practices and courses of business which would and did operate as a fraud and deceit upon one or more investors and potential investors in Zona Energy, in connection with the purchase and sale of investments in Zona Energy, directly and indirectly, by use of means and instrumentalities of interstate commerce and the mails.

(Title 15, United States Code, Sections 78j(b) and 78ff; Title 18, United States Code, Sections 2 and 3551 et seq.)

#### COUNT FOUR

(Securities Fraud – The ORGH Stock Manipulation Scheme)

89. The allegations contained in paragraphs one through 81 are realleged and incorporated as if fully set forth in this paragraph.

90. In or about and between February 2020 and June 2020, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants RICHARD DALE STERRITT, JR., also known as “Richard Richman,” MICHAEL GREER, ROBERT MAGNESS and MARK ROSS, together with others, did knowingly and

willfully use and employ one or more manipulative and deceptive devices and contrivances, contrary to Rule 10b-5 of the Rules and Regulations of the United States Securities and Exchange Commission, Title 17, Code of Federal Regulations, Section 240.10b-5, by: (a) employing one or more devices, schemes and artifices to defraud; (b) making one or more untrue statements of material fact and omitting to state one or more material facts necessary in order to make the statements made, in light of the circumstances in which they were made, not misleading; and (c) engaging in one or more acts, practices and courses of business which would and did operate as a fraud and deceit upon one or more investors and potential investors in ORGH, in connection with the purchase and sale of investments in ORGH, directly and indirectly, by use of means and instrumentalities of interstate commerce and the mails.

(Title 15, United States Code, Sections 78j(b) and 78ff; Title 18, United States Code, Sections 2 and 3551 et seq.)

COUNT FIVE  
(Conspiracy to Commit Money Laundering)

91. The allegations contained in paragraphs one through 81 are realleged and incorporated as if fully set forth in this paragraph.

92. In or about and between March 2018 and February 2021, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants RICHARD DALE STERRITT, JR., also known as "Richard Richman," MICHAEL GREER, ROBERT MAGNESS and ROBYN STRAZA, together with others, did knowingly and intentionally conspire to engage in monetary transactions, to wit: deposits, withdrawals and transfers of funds and monetary instruments, in and affecting interstate commerce, by, through and to one or more financial institutions, in criminally derived property that was of a value greater than \$10,000 and that was derived from one or more specified unlawful activities, to wit:



conspiracy to commit securities fraud, contrary to Title 18, United States Code, Section 371 and fraud in the sale of securities, contrary to Title 15, United States Code, Sections 78j(b) and 78ff, all contrary to Title 18, United States Code, Section 1957(a).

(Title 18, United States Code, Sections 1956(h) and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION  
AS TO COUNTS ONE THROUGH FOUR

93. The United States hereby gives notice to the defendants that, upon their conviction of any of the offenses charged in Counts One through Four, the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which require any person convicted of such offenses to forfeit any property, real or personal, constituting, or derived from, proceeds obtained directly or indirectly as a result of such offenses.

94. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendants up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Section 981(a)(1)(C); Title 21, United States Code, Section 853(p); Title 28, United States Code, Section 2461(c))

CRIMINAL FORFEITURE ALLEGATION  
AS TO COUNT FIVE

95. The United States hereby gives notice to the defendants that, upon their conviction of the offense charged in Count Five, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(1), which requires any person convicted of such offense to forfeit any property, real or personal, involved in such offense, or any property traceable to such property.


96. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1), to seek forfeiture of any other property of the defendants up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Sections 982(a)(1) and 982(b)(1); Title 21, United States Code, Section 853(p))

A TRUE BILL

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MARK J. LESKO  
ACTING UNITED STATES ATTORNEY  
EASTERN DISTRICT OF NEW YORK



F.#: 2019R01653  
FORM DBD-34  
JUN. 85

No.

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**UNITED STATES DISTRICT COURT**  
EASTERN *District of* NEW YORK  
CRIMINAL DIVISION

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THE UNITED STATES OF AMERICA

vs.

RICHARD DALE STERRITT, JR., ALSO KNOWN AS "RICHARD RICHMAN,"  
ROBERT MAGNESS, MICHAEL GREER, MARK ROSS AND ROBYN STRAZA,

Defendants.

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**INDICTMENT**

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(T. 15, U.S.C., §§ 78j(b) and 78ff; T. 18, U.S.C., §§ 371, 981(a)(1)(C),  
982(a)(1), 982(b)(1), 1349, , 1956(h), 2 and 3551 et seq.; T. 21, U.S.C. §  
853(p); T. 28, U.S.C. § 2461(c))

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*A true bill.* 

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*Filed in open court this* \_\_\_\_\_ *day,*  
*of* \_\_\_\_\_ *A.D. 20* \_\_\_\_\_ *Clerk*

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*Bail, \$* \_\_\_\_\_

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*David C. Pitluck and Michael Robotti, Assistant U.S. Attorneys (718)*  
*254-7000*