

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : Hon.
 :
 v. : Criminal No. 16-
 :
 NATHAN B. MONTGOMERY : 18 U.S.C. § 371

INFORMATION

The defendant having waived in open court prosecution by Indictment and any defenses based upon any statutes of limitation, the United States Attorney for the District of New Jersey charges:

Relevant Individuals and Entities

1. At all times relevant to this Information:
 - a. Defendant NATHAN B. MONTGOMERY was a resident of Las Vegas, Nevada, and Hermosa Beach, California, and was engaged in the promotion of “penny” or “micro-cap” stocks – the stocks of publicly traded companies with low share prices that often traded on quotation services and marketplaces operated by OTC Markets Group Inc., such as the OTC Bulletin Board (“OTCBB”), OTC QB, OTC Pink, or Pink Sheets.
 - b. Samuel DelPresto (“DelPresto”), who is named as a co-conspirator but not as a defendant herein, was a resident of Holmdel, New Jersey. DelPresto was also a penny stock promoter.
 - c. Donald S. Toomer (“Toomer”), who is named as a co-conspirator but not as a defendant herein, was a resident of Henderson,

Nevada, and was an investment advisor at an investment advisory firm in or around Las Vegas, Nevada.

d. Co-conspirator #1 (“CC#1”), who is named as a co-conspirator but not as a defendant herein, was a resident of Hermosa Beach, California, and a registered representative at a broker-dealer in or around Los Angeles, California (“Broker-Dealer A”).

e. BioNeutral Group, Inc. (“BONU”) was a Nevada corporation headquartered in Newark, New Jersey. BONU’s common stock was quoted on the OTCBB. BONU described itself as a specialty chemical company engaged in the development and commercialization of technology to neutralize environmental contaminants, toxins, and micro-organisms.

f. NXT Nutritionals Holdings, Inc. (“NXTH”) was a Delaware corporation with its principal place of business in Holyoke, Massachusetts. NXTH’s common stock was quoted on the OTCBB. NXTH described itself as a food and beverage development company engaged in the development of healthy alternative sweeteners.

g. Mesa Energy Holdings, Inc. (“MSEH”) was a Delaware corporation with its principal place of business in Dallas, Texas. MSEH’s common stock was quoted on the OTCBB. MSEH described itself as an exploration stage oil and gas company.

h. Clear-Lite Holdings, Inc. (“CLRH”) was a Nevada corporation with its principal place of business in Boca Raton, Florida. CLRH’s common

stock traded on the OTCBB. CLRH described itself as a company engaged in manufacturing environmentally friendly lighting products.

i. BONU, NXTH, MSEH and CLRH are collectively referred to herein as the “Target Companies.”

Overview of the Scheme

2. From at least as early as in or about 2008 through in or about 2010, MONTGOMERY, DelPresto, Toomer, CC#1, and others perpetrated a scheme to “pump and dump” shares of the Target Companies’ stock. Each cycle generally involved three steps: First, MONTGOMERY and his co-conspirators obtained control over large blocks of the free-trading shares of the Target Companies’ stock. Second, they “pumped” the price of those shares by, among other things, engaging in manipulative trading and disseminating promotional materials touting the stocks which encouraged others to purchase them. Finally, they “dumped” the stocks by selling large volumes of the Target Companies’ stock to victim-investors throughout the promotional campaigns. Following the dump phase, the Target Companies’ artificially inflated stock prices dropped, causing victim-investors to suffer losses. The scheme collectively generated approximately \$33 million in illicit trading proceeds, of which MONTGOMERY received approximately \$20 million.

Obtaining and Concealing Control and Ownership of the Target Companies’ Stock

3. In connection with the scheme, DelPresto searched for and identified developmental stage private companies seeking financing with stories that could be promoted (the “Private Companies”). DelPresto offered to raise