

**7th. Judicial Circuit 707
Charging Affidavit - Flagler**

Arrest # _____

Bk # _____

Pg #1 of 6

ARREST <input type="checkbox"/> NOTICE TO APPEAR <input type="checkbox"/> AFFIDAVIT <input checked="" type="checkbox"/> C.C. <input type="checkbox"/>		ADULT <input checked="" type="checkbox"/> JUVENILE <input type="checkbox"/>		Court Case Number: 14-2076FFA	
(ORI) FL: 0 1 8 0 0 0 0		Agency Name: FCSO		Agency Case Number: 31688-13	
FCIC/NCIC Check? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		OBTS#		UCR: _____ Date Arrested: _____ Time of Arrest: _____	
ADDRESS OF ARREST:				Arrested By: _____ ID Number: _____	
DEFENDANT		Name (L,F,M): BROWN, WESLEY, ALAN		A.K.A.: _____ Sex: M Race: W	
DOB: 09/21/1962		Age: 51		Driver's Lic/ID No.: B650-881-62-341-0	
State: FL		Year Expires: 2017		S.S. #: _____	
Height: 5'11		Weight: _____		Hair: BR Eyes: _____	
Scars, Marks, Tattoos: _____		Business & Occupation: _____		POB (City, St, Country) _____ Statement: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Citizenship: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		Probation: Yes <input type="checkbox"/> No <input type="checkbox"/>		Sexual Predator: Yes <input type="checkbox"/> No <input type="checkbox"/>	
English: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		Deaf/Mute: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Address-Mailing/Permanent (STREET, APT. NUMBER) (CITY) (STATE) ZIPCODE RESIDENCE PHONE	
80 RIVERVIEW BEND SOUTH, UNIT 813		PALM COAST FL 32137		910-471-5492	
Address-Local (STREET, APT. NUMBER) (CITY) (STATE) ZIPCODE RESIDENCE PHONE		Address-Other (Employer/School) (STREET, APT. NUMBER) (CITY) (STATE) ZIPCODE BUS/SCHOOL PHONE			
CHARGES		DOMESTIC VIOLENCE? YES <input type="checkbox"/>		Attachments: Affidavit(s) <input type="checkbox"/> Statement(s) <input type="checkbox"/> NTA Schedule <input type="checkbox"/> Report <input type="checkbox"/> Traffic Infraction(s) <input type="checkbox"/> DUI <input type="checkbox"/> Total Charges: 3	
#1 Charge: SECURITIES REGISTRATION		FEL <input checked="" type="checkbox"/> MISD <input type="checkbox"/> ORD <input type="checkbox"/>		FS/ORD: 517.07 Citation No.: _____ Bond: _____	
#2 Charge: DEALER REGISTRATION		FEL <input checked="" type="checkbox"/> MISD <input type="checkbox"/> ORD <input type="checkbox"/>		FS/ORD: 517.012 Citation No.: _____ Bond: _____	
#3 Charge: SECURITIES FRAUD		FEL <input checked="" type="checkbox"/> MISD <input type="checkbox"/> ORD <input type="checkbox"/>		FS/ORD: 517.301 Citation No.: _____ Bond: _____	
CO-DEFENDANT		Co-Def #1. Arrested? Y <input type="checkbox"/> N <input type="checkbox"/> Fel <input type="checkbox"/> Misd. <input type="checkbox"/> Traf. <input type="checkbox"/> Ord. <input type="checkbox"/> NTA <input type="checkbox"/>		Co-Def #2. Arrested? Y <input type="checkbox"/> N <input type="checkbox"/> Fel. <input type="checkbox"/> Misd. <input type="checkbox"/> Traf. <input type="checkbox"/> Ord. <input type="checkbox"/> NTA <input type="checkbox"/>	
#1 NAME(L,F,M): _____		Race: _____ Sex: _____		DOB: _____ Age: _____	
#2 NAME(L,F,M): _____		Race: _____ Sex: _____		DOB: _____ Age: _____	
NARRATIVE		The undersigned certifies and swears that there is probable cause to believe the above named defendant, on the 25TH day of JANUARY , 2012 , at approximately _____ <input type="checkbox"/> a.m. <input type="checkbox"/> p.m. at _____ within FLAGLER County, violated the law and did then and there:			
SEE ADDENDUM		<p>FILED IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT MAR 11 2014 Deputy Clerk</p>			
NOTICE TO APPEAR		MANDATORY APPEARANCE <input type="checkbox"/>		YOU NEED NOT APPEAR IN COURT BUT MUST COMPLY WITH INSTRUCTIONS ON THE REVERSE SIDE OF YOUR COPY <input type="checkbox"/>	
I AGREE TO APPEAR IN COURT HEREIN TO ANSWER THE OFFENSE CHARGED OR TO PAY THE FINE INDICATED. I UNDERSTAND THAT SHOULD I WILLFULLY FAIL TO APPEAR BEFORE THE COURT AS REQUIRED, OR PAY THE LISTED FINE, I MAY BE HELD IN CONTEMPT OF COURT AND A WARRANT FOR MY ARREST WILL BE ISSUED.		FINE, AND COSTS AMOUNT: _____			
SIGNATURE OF JUVENILE PARENT OR CUSTODIAN		Juve Disp. CITATION No.			
SIGNATURE OF DEFENDANT		DATE		RELATIONSHIP TO JUVENILE	
Sworn to and subscribed before me, the undersigned This 5 day of AUGUST , 2013 .		I swear/affirm the above statements are correct and true.		Rt Thumb	
Name: Jones Amber M		OFFICER'S/COMPLAINANT'S SIGNATURE			
Notary Public <input type="checkbox"/> Law Enforcement or Corrections Officer <input checked="" type="checkbox"/>		NAME (PRINTED)		ID NUMBER	
Personally Known <input checked="" type="checkbox"/> Produced Identification <input type="checkbox"/>		Nathan W. Flach		201	
Type of Identification:		Inmate Number & facility:			
OFFICIAL USE ONLY					

PROBABLE CAUSE AFFIDAVIT

Flagler County Sheriff's Office

I, Nathan W. Flach, Detective with Flagler County Sheriff's Office herein referred as the Affiant, affirm the following is true and correct to the best of my knowledge.

AFFIANT

Your Affiant is a certified law enforcement officer, who is currently employed by the Flagler County Sheriff's Office. Your Affiant has been employed by this agency for approximately 11 years.

DEFENDANT

- 1. Brown, Wesley Alan, W.M. D.O.B. 09/21/1962, SSN: [REDACTED]; Address: 80 Riverview Bend South, Unit 813, Palm Coast, Florida 32137**

CRIMINAL OFFENSES

517.301 Fraudulent transactions; falsification or concealment of facts.—

(1) It is unlawful and a violation of the provisions of this chapter for a person:

(a) In connection with the rendering of any investment advice or in connection with the offer, sale, or purchase of any investment or security, including any security exempted under the provisions of s. 517.051 and including any security sold in a transaction exempted under the provisions of s. 517.061, directly or indirectly:

1. To employ any device, scheme, or artifice to defraud;
2. To obtain money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
3. To engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon a person.

(b) To publish, give publicity to, or circulate any notice, circular, advertisement, newspaper, article, letter, investment service, communication, or broadcast which, though not purporting to offer a security for sale, describes such security for a consideration received or to be received directly or indirectly from an issuer, underwriter, or dealer, or from an agent or employee of an issuer, underwriter, or dealer, without fully disclosing the receipt, whether past or prospective, of such consideration and the amount of the consideration.

(c) In any matter within the jurisdiction of the office, to knowingly and willfully falsify, conceal, or cover up, by any trick, scheme, or device, a material fact, make any false, fictitious,

or fraudulent statement or representation, or make or use any false writing or document, knowing the same to contain any false, fictitious, or fraudulent statement or entry.

517.07 Registration of securities.-

It is unlawful and a violation of this chapter for any person to sell or offer to sell a security within this state unless the security is exempt under s. 517.051, is sold in a transaction exempt under s. 517.061, is a federal covered security, or is registered pursuant to this chapter.

517.12(1) Registration of dealers.-

Registration of dealers, associated persons, investment advisers, and branch offices.—

No dealer, associated person, or issuer of securities shall sell or offer for sale any securities in or from offices in this state, or sell securities to persons in this state from offices outside this state, by mail or otherwise, unless the person has been registered with the office pursuant to the provisions of this section. The office shall not register any person as an associated person of a dealer unless the dealer with which the applicant seeks registration is lawfully registered with the office pursuant to this chapter.

This investigation is being conducted jointly by the Flagler County Sheriff's Office, Investigative Services Division and the Florida Office of Financial Regulation, Bureau of Financial Investigations ("BFI"). Information obtained as a result of the investigative efforts of each agency is being shared with agents from each of the other agencies, to the extent permitted by law and rule. The facts set forth in this affidavit are based on my personal knowledge, knowledge obtained from other law enforcement officers, reviews of documents, communications with others who have personal knowledge of the event and circumstances described in this affidavit (including participants).

This case involves felony securities fraud and grand theft violations allegedly committed by Flagler County resident Wesley Alan Brown ("Brown"). On or about October 10, 2012, BFI received a telephone complaint from Mark Convoy (Convoy), a pastor of the Calvary Chapel located in **Flagler Beach**, Florida. Convoy alleged that from November 2011 through about March 2012 Brown, a former assistant pastor of the chapel, solicited at least five church members to invest over \$75,000 in a Delaware-based hedge fund named Maverick International Inc. ("MII"). Convoy reported that Brown is claiming all investments have been lost and that investors may have been defrauded.

Summary:

Through witness interviews and analysis of subpoenaed bank records, BFI investigators determined from **December 2010 through June 2012**, Brown offered and sold securities in the form of shares of MII to at least six (6) residents of Flagler County, Florida in the amount of

\$395,215. Chapter 517, Florida Statutes requires all securities, dealers, associated persons and investment advisers be registered with Office of Financial Regulation, or qualify for an exemption. Brown, MII, and the securities issued by MII were not registered nor did they qualify for an exemption from registration during the time period material to this investigation. Additionally, MII securities were allegedly offered and sold by means of untrue statements and omissions of material facts.

Investor Interview:

This affidavit contains allegations and facts pertaining to the offer and sale of unregistered securities issued by MII to Flagler County resident Kathleen Baker (“Baker”) in January 2012. On or about October 26, 2012, BFI investigator Michael Rennie interviewed Baker over the phone. BFI investigator Kozhukhar interviewed Baker in person on January 11, 2013. She alleged the following:

Baker met Brown through Calvary Chapel church in Flagler Beach, Florida. Brown presented himself as financial planner with over 10 years of investment experience. Baker contacted Brown seeking financial advice about purchasing a life insurance policy. Brown came over to Baker’s house to discuss potential financial plans. He discouraged purchase of a life insurance policy by stating that insurance policies were setup not to pay. Instead, he recommended Baker invest in shares of MII which were a better investment. He presented MII as a private company located in Delaware that invests in precious metals and commodities with no risk and potential for growth. Baker agreed to invest, and wrote a check payable to MII in the amount of \$6,000. This check was given to Brown in person. The 6,000 investment was to be split with \$4,000 to be used to purchase shares of MII, and \$2,000 to be allocated to a money market account within MII. In return for her investment, Baker received a “Deposit Receipt” from Brown which described how investment funds were allocated. Baker did not receive any documents from Brown or MII that contained a full and fair disclosure of all material facts and risks related to her investment in MII. Shortly after her investment, Baker started researching MII online, but could not find any information. She later found out that MII did not pay taxes in Delaware in the last 7 years, was not an active corporation, and was not located at the address shown on her deposit receipt. Due to these findings, Baker contacted Brown and requested the refund of her investment. Brown became angry with her, but nonetheless returned \$5,960; \$2,000 in cash and a check in the amount of \$3,960 drawn on his personal checking account. Brown withheld \$40 for “wire fees”. Baker relied solely on Brown’s representations and did not have any contact with anyone but Brown in connection with her investment in MII.

Analysis:

BFI investigators determined that Baker’s check was deposited into account # [REDACTED] (account “B”) at BB&T Bank.

On or about November 1, 2012, BFI issued a subpoena to BB&T Bank seeking records for all accounts controlled by Brown and/or MII from January 1, 2008 through December 5, 2012.

Records responsive to the subpoena were received on or about January 28, 2013 by the BFI. The production included records for account B titled "Maverick International Inc." with Edward Rubin (Rubin) as a sole signatory listed on the account. Rubin is a resident of North Carolina and is believed to be Brown's brother-in-law.

The records revealed that Baker's investment check dated January 25, 2012 in the amount of \$6,000 was deposited into account B on January 26, 2012. Financial analysis conducted by the BFI revealed that Baker's funds were never used for investment purposes as represented by Brown. Instead, funds remained in MII's bank account B, and were eventually used to reduce Brown's personal credit card balances.

On March 12, 2012, Baker received a return check from Brown in the amount of \$3,960 drawn on Brown's personal account, account [REDACTED] at SunTrust Bank (Account A). On or about November 1, 2012, BFI issued a subpoena to SunTrust Bank seeking records for all accounts controlled by Brown and/or MII from January 1, 2011 through November 1, 2012. Records responsive to the subpoena were received on or about November 27, 2012 by the BFI. The production included records for the account A, titled "Wesley Alan Brown D/B/A Maverick International". Brown and his wife, Debra Cipoletti (Cipoletti), are the only authorized signers on the account.

The records revealed that the refund check written to Baker, check number 1545 dated March 12, 2012 in the amount of \$3,960, was signed by Cipoletti. Financial analysis conducted by the BFI revealed that the funds used to cover this check came from other investors.

Target Interview:

On or about January 10, 2013, your affiant and BFI investigator Maksym Kozhukhar interviewed Brown, who voluntarily agreed to provide a sworn statement. Brown was not questioned on specifics of Baker's investment, but admitted that he did, in fact, introduce the investment in MII to several Flagler County investors. Contrary to the BFI's findings, Brown claimed the following:

- MII went out of business due to large losses that stemmed from the bankruptcy of the brokerage firm PFG Best A/K/A Peregrine Financial Services (PFG) that held MII's investments;
- He was also an investor in MII, and lost between \$150,000 and \$200,000;
- He could not remember when or how he became acquainted with MII, and did not know anyone associated with MII;
- He did not act on behalf of MII, and did not receive any financial benefits from MII;
- He remitted all of the investors' checks to MII by means of mail or deposited them directly into MII's corporate bank account.

Witness/Victim/Evidence Form 707-A

 Arrest
 Affidavit
 Notice to Appear

 Adult
 Juvenile

Court Case Number:

Pg # 6 of 6

Defendant Name: BROWN, WESLEY, ALAN		Agency Case Number:	
Name (L,F,M): BAKER, KATHLEEN, A	Vic <input checked="" type="checkbox"/> Wit <input type="checkbox"/>	Race: W	Sex: M <input type="checkbox"/> F <input checked="" type="checkbox"/>
Address (#, Street, City, State): 23 FOREST HILL DRIVE, PALM COAST, FL	Age: 73	DOB: 12/21/50	SSN: [REDACTED]
Bus./School Address:	Zip: 32137	Home Phone: 386-338-4984	Statement: Yes <input type="checkbox"/> No <input type="checkbox"/>
Relative/Contact Name:	Relative/Contact Address:	Bus. Phone:	Phone:

Name (L,F,M): NA	Vic <input type="checkbox"/> Wit <input type="checkbox"/>	Race:	Sex: M <input type="checkbox"/> F <input type="checkbox"/>
Address (#, Street, City, State):	Age:	DOB:	SSN:
Bus./School Address:	Zip:	Home Phone:	Statement: Yes <input type="checkbox"/> No <input type="checkbox"/>
Relative/Contact Name:	Relative/Contact Address:	Bus. Phone:	Phone:

Name (L,F,M):	Vic <input type="checkbox"/> Wit <input type="checkbox"/>	Race:	Sex: M <input type="checkbox"/> F <input type="checkbox"/>
Address (#, Street, City, State):	Age:	DOB:	SSN:
Bus./School Address:	Zip:	Home Phone:	Statement: Yes <input type="checkbox"/> No <input type="checkbox"/>
Relative/Contact Name:	Relative/Contact Address:	Bus. Phone:	Phone:

Name (L,F,M):	Vic <input type="checkbox"/> Wit <input type="checkbox"/>	Race:	Sex: M <input type="checkbox"/> F <input type="checkbox"/>
Address (#, Street, City, State):	Age:	DOB:	SSN:
Bus./School Address:	Zip:	Home Phone:	Statement: Yes <input type="checkbox"/> No <input type="checkbox"/>
Relative/Contact Name:	Relative/Contact Address:	Bus. Phone:	Phone:

Name (L,F,M):	Vic <input type="checkbox"/> Wit <input type="checkbox"/>	Race:	Sex: M <input type="checkbox"/> F <input type="checkbox"/>
Address (#, Street, City, State):	Age:	DOB:	SSN:
Bus./School Address:	Zip:	Home Phone:	Statement: Yes <input type="checkbox"/> No <input type="checkbox"/>
Relative/Contact Name:	Relative/Contact Address:	Bus. Phone:	Phone:

Name (L,F,M):	Vic <input type="checkbox"/> Wit <input type="checkbox"/>	Race:	Sex: M <input type="checkbox"/> F <input type="checkbox"/>
Address (#, Street, City, State):	Age:	DOB:	SSN:
Bus./School Address:	Zip:	Home Phone:	Statement: Yes <input type="checkbox"/> No <input type="checkbox"/>
Relative/Contact Name:	Relative/Contact Address:	Bus. Phone:	Phone:

EVIDENCE COLLECTED

Description of Evidence	Date Recovered	Model Serial/I.D. Number	Drug Amount
Owner(Name)	(Address)	(Phone)	Value
Description of Evidence	Date Recovered	Model Serial/I.D. Number	Drug Amount
Owner(Name)	(Address)	(Phone)	Value
Description of Evidence	Date Recovered	Model Serial/I.D. Number	Drug Amount
Description of Evidence	Date Recovered	Model Serial/I.D. Number	Drug Amount
Description of Evidence	Date Recovered	Model Serial/I.D. Number	Drug Amount
Description of Evidence	Date Recovered	Model Serial/I.D. Number	Drug Amount
Description of Evidence	Date Recovered	Model Serial/I.D. Number	Drug Amount
Description of Evidence	Date Recovered	Model Serial/I.D. Number	Drug Amount
Description of Evidence	Date Recovered	Model Serial/I.D. Number	Drug Amount

I certify that the foregoing is a complete list of witnesses/victims & evidence known to me.

Investigating Officer

ID Number

Agency

707-A - COURT COPY