

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

COUNT THIRTY EIGHT: THEFT, § 18-4-401(1)(b), (2)(d) C.R.S. (2012) (Class 3 Felony) {0801V}

COUNT THIRTY NINE: THEFT, § 18-4-401(1)(b), (2)(j) C.R.S. (Class 2 Felony) {08A17}

DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO 1437 Bannock Street Denver, CO 80202	
PEOPLE OF THE STATE OF COLORADO, v. KELLY JAMES SCHNORENBURG, DOB: 3/30/1959 Defendant.	
CYNTHIA H. COFFMAN, Attorney General SEAN CLIFFORD, #28260 First Assistant Attorney General MICHAEL J. BELLIPANNI, #24421 Senior Assistant Attorney General Criminal Justice Section 1300 Broadway, 9th Floor Denver, Colorado 80203 (720) 508-6000 Registration Number: 24421	^ COURT USE ONLY ^ Case No.: 15CR0001 Div: 259
COLORADO STATE GRAND JURY INDICTMENT	

Of the 2015-2016 term of the Denver District Court in the year 2015; the 2015-2016 Colorado State Grand Jurors, chosen, selected and sworn in the name and by the authority of the People of the State of Colorado, upon their oaths, present the following:

ESSENTIAL FACTS

KELLY JAMES SCHNORENBURG (SCHNORENBURG) owned KJS Marketing, Inc. (KJS). KJS was created by Schnorenberg to fund insurance sales companies by raising capital through investors. KJS was incorporated in Colorado on July 15, 2008. KJS operated out of Schnorenberg's residence located at 7988 Witney Place, Lone Tree, located in Douglas County, Colorado.

Beginning in or about May of 2009, and through July of 2015, Schnorenberg, directly and by and through his sales representatives, solicited, accepted and held money from investors. During this time, SCHNORENBERG solicited approximately two hundred forty five people, who invested over sixteen million dollars.

The opportunity to invest presented by Schnorenberg was generally premised upon the representation that investor funds would be pooled with other investors and used to fund companies which sold insurance products. Individuals who invested in 2009 and through approximately March of 2011, were told their investment would fund Salus Marketing Enterprises, LLC (Salus); Premier Advantage Insurance Agency (PAIA), or Trinity Affiliated Group, LLC (Trinity). From approximately April of 2011, through approximately September of 2012, investors were told they would be investing in Hegemon Holdings (HH). From September 2012, until July of 2014, investors were told their money would fund Quantum Success Strategies (QS2). Investors who invested after July of 2014 were told that their investments would fund WealthSmart America, LLC (WSA). All of these companies sold insurance products, and Schnorenberg represented that each was capable of generating profits sufficient for large returns to the investors.

The investment opportunities offered by Schnorenberg promised high rates of return from the profits of KJS, James Marketing, and the insurance company with little or no risk to the investor. Most often, the investors were promised returns of up to twelve percent per annum on the invested funds, with an opportunity to take advantage of a promotional membership that would give the investors a small share of the insurance sales company profits, and those of KJS Marketing. In most instances, when Schnorenberg solicited and accepted individual investments, the investors received a promissory note or a letter of agreement signed by Schnorenberg individually, as representative of KJS Marketing, Inc., or both.

Schnorenberg solicited investors across Colorado, including Adams, Arapahoe, Boulder, Denver, Douglas, El Paso, Jefferson, Larimer and Weld counties, as well as individuals from several other states including: Florida, South Carolina, Wyoming, Arizona, California Missouri, Montana, Illinois, South Dakota, Georgia, Nebraska, Oregon, Utah, Maine, Arkansas, Texas, New York, Kansas, Maryland, Louisiana, Minnesota, Virginia, North Dakota, Kentucky, Ohio, Pennsylvania, Wisconsin, Indiana and Hawaii. The funds for these investors were deposited into the Colorado bank accounts of Schnorenberg, KJS, James Marketing,

and associated businesses. The investments offered and sold by Schnorenberg, evidenced in part by the promissory notes and letters of agreement, constitute "securities" pursuant to § 11-51-201(17) C.R.S., and as such, are subject to the provisions of the Colorado Securities Act.

Schnorenberg represented to investors that the insurance companies would be very successful because of the network of insurance professionals at the disposal of the businesses. Schnorenberg set up new insurance company upon the failure of each preceding organization. Schnorenberg and other representatives of the organizations solicited both "capital" investors as well as sales agents for the business. Sales agents were of two types. One group comprised a small number of experienced agents who had known reputations in the insurance industry and who could attract other agents to the business. Schnorenberg hosted large seminars for his companies that highlighted these experienced agents to recruit new agents. The other larger group was comprised of inexperienced sales agents without the experience in building a successful insurance sales practice. Schnorenberg made promises to agents to induce them to work for his business entities. Schnorenberg promised monthly stipends to some agents to purportedly sustain them until their sales operations were self-sufficient. Typically, Schnorenberg or the business entity would provide the stipend for a couple of months and then cease. Schnorenberg would then make a variety of excuses explaining why the stipends would not continue. In addition, Schnorenberg offered to pay the office space rent for certain agents. Similar to the stipends, Schnorenberg would often make the first few months' rent and then cease making payments. Many agents suffered professional and financial hardships as a result of Schnorenberg reneging on his commitment to make these payments. Many agents chose to leave the business organizations of Schnorenberg due to the broken commitments and the failure to pay commissions on insurance sales. The loss of insurance agents often contributed to the failure of the business.

Schnorenberg pressured employees and agents to conduct "capital raises." A "capital raise" was the process of soliciting financial investments in the various business entities. Agents and employees were incentivized to raise capital for the various business entities at much higher rates than conducting the purported core business of insurance sales for the companies. As a result of this incentive structure, agents would often seek investors over the sale of insurance products. Compensation rates for raising capital was often 10% of the investment amount and sometimes higher. Schnorenberg sought both large and small "capital raise" investors. Schnorenberg did not advise investors or agents

of the speculative nature of the business operation, that investor money was, or would be used to repay other investors, and made unrealistic profit projections. Schnorenberg made untrue statements regarding the volume of insurance product sales made by agents of the company; Schnorenberg provided false profit projections to certain investors. Some solicited investors would be considered "accredited investors," the majority of the investors were not.

Schnorenberg continued to solicit capital for some business entities despite the impending failure of the business and having already started a new company. When one of the insurance companies failed, Schnorenberg would simply indicate to the investors who inquired that their investment was now with the new company. Very often, the investor was not provided with any documentation of the rollover, and in some cases was not made aware that the company had failed, or that the investment had been transferred into the next iteration of Schnorenberg's insurance companies. Some investors were told that if they did not "roll over" their investment into the new company, all prior investment funds would be lost.

Rather than supporting the various companies as promised, investor funds were deposited into the personal accounts of Schnorenberg, KJS Marketing and James Marketing. SCHNORENBERG did not disclose that SCHNORENBERG, KJS and James Marketing were millions of dollars in debt to investors whose notes and letters of agreement were overdue and unpaid. Prior to their investments, investors were not informed of the status of KJS and James Marketing, or Schnorenberg's personal financial status. These funds were used by SCHNORENBERG for personal expenses, funds were forwarded to his girlfriend, his mother, and to pay sales representatives for solicitation of new investors. Analysis of Schnorenberg's banking activity during the relevant time period shows that millions of dollars have been withdrawn from KJS accounts in cash by SCHNORENBERG. Further, little significant income was generated by SCHNORENBERG'S associated businesses. Rather, the vast majority of income was from new investors. Investors who received payments from Schnorenberg on their investments were paid from Schnorenberg's personal accounts, KJS accounts, or James Marketing accounts, not through the insurance companies. SCHNORENBERG, directly and through his agents, as sales representatives, made untrue statements of material facts and omitted to state material facts to investors.

Schnorenberg did not disclose to investors any information regarding his bankruptcy or his true financial status. Schnorenberg did not disclose to

investors information regarding his previous or pending legal proceedings, including permanent injunctions filed against him in Colorado in 2001 and 2005. Prior to their initial investments, Schnorenberg did not disclose to investors the true financial condition of the company they were investing in, or the failures of his previous insurance companies.

Schnorenberg did not disclose to investors that he had filed for Chapter 7 Bankruptcy in US District Court for the District of Colorado, in 2003.

Schnorenberg did not disclose to investors the fact that permanent injunctions had been filed by the Colorado Division of Securities and ordered by Denver District Courts on or about December 3, 2001, and again on or about September 30, 2005. In addition, Schnorenberg failed to disclose the fact that multiple various civil cases had been filed against him and his associated Colorado businesses. Schnorenberg failed to inform the investors that courts had ordered judgments against him in lawsuits resulting in judgments of hundreds of thousands of dollars, much of which remained unsatisfied at the time he solicited investor funds.

Schnorenberg failed to disclose the actual risk of the investments. Schnorenberg provided no offering document to investors disclosing the true or potential risks of the investment. Schnorenberg told investors that their money would be used for expenses associated with the operation, support, and other requirements needed for the businesses. In fact, significant portions of the investor funds were not used for operational expenses, greatly increasing the risk to the investor. Investors were not informed of the mounting debts of Schnorenberg, KJS, and James Marketing. Investors were not informed that this debt was due, in large part, to the number of investors whose investments remained unpaid and overdue.

Schnorenberg continued the acts, practices and course of business designed to defraud investors in and between 2009, and through July of 2015. After obtaining investor funds, SCHNORENBERG continued to solicit, accept, and hold investor funds, knowing that the represented returns had not been made to previous investors, and that the revenues being generated by the insurance sales companies were insufficient to support future promises of returns.

Schnorenberg used investor funds to pay personal expenses and continued to make material misstatements and omissions to the investors after their initial investments. Schnorenberg thereby induced investors to maintain their

investments with him, roll investments from one insurance company into the next, and to make subsequent investments. These resulting business practices operated as a fraud or deceit upon Schnorenberg investors.

This indictment is structured in five sections, charged by scheme, as referenced above.

Section I

Salus Marketing Enterprises, LLC; Trinity Affiliated Group, LLC, and Premier Advantage Insurance Agency;

Beginning in approximately May of 2009, Schnorenberg solicited investors in various insurance companies. The first insurance company for which Schnorenberg solicited investments was Salus Marketing Enterprises, LLC. The name of this entity was changed to Trinity Affiliated Group; a name change was filed with the Secretary of State on or about December 21, 2009. Premier Advantage Insurance Agency was a separate company formed on or about December 17, 2009, and was described by Schnorenberg as a subsidiary of Salus Marketing Enterprises, LLC, and Trinity Affiliated Group, LLC. Schnorenberg solicited and accepted investments in these companies about and between May of 2009, and through approximately March of 2011.

COUNT ONE **(Securities Fraud – F3)**

On or about October 1, 2009, with a date of discovery occurring on or about January 16, 2013, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Sharon and Gary Roberts, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Sharon and Gary Roberts invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWO
(Securities Fraud – F3)

On or about December 1, 2009, with a date of discovery occurring on or about January 16, 2013, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Robin Beemer, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Robin Beemer invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT THREE
(Securities Fraud – F3)

About and between January 21, 2010, and September 17, 2010, with a date of discovery occurring on or about January 1, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Lynn Evans, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-

51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Lynn Evans invested a total of approximately twenty two thousand nine hundred seventy dollars (\$22,970.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT FOUR
(Securities Fraud – F3)

About and between February 16, 2010, and March 17, 2010, with a date of discovery occurring on or about July 1, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Roberta Herbertson, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Roberta Herbertson invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT FIVE
(Securities Fraud – F3)

On or about April 5, 2010, with a date of discovery occurring on or about September of 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Margery Venning, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-

51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Margery Venning invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT SIX
(Securities Fraud – F3)

About and between May 17, 2010, and July 16, 2010, with a date of discovery occurring on or about July 22, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Randall David Richards, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Randall David Richards invested a total of approximately fifty five thousand dollars (\$55,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT SEVEN
(Securities Fraud – F3)

On or about July 30, 2010, with a date of discovery occurring on or about April 2, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Scott Ponzio, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the

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

Scott Ponzio invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT EIGHT
(Securities Fraud – F3)

On or about March 17, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Ronald and Patricia Prinkki, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Ronald and Patricia Prinkki invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT NINE
(Securities Fraud, Course of Business – F3)

During and between May 28, 2009, and through approximately March of 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer or sale of any security to investors in Salus Marketing Enterprises, LLC; Trinity Affiliated Group, LLC; Premier Advantage Insurance Agency; and KJS Marketing, Inc., directly or indirectly, unlawfully, feloniously, and knowingly engaged in any course of business which operated or would

operate as a fraud or deceit upon any person, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501 (1) (c) and 11-51-603 (1), as amended, and against the peace and dignity of The People of the State of Colorado, and as more fully set out below:

1. Individuals who invested beginning in May of 2009 and through approximately March of 2011, were told their investment would fund Salus Marketing Enterprises, LLC (Salus); Trinity Affiliated Group, LLC (Trinity), or Premier Advantage Insurance Agency (PAIA). Schnorenberg Registered Salus with the Colorado Secretary of State on or about June 4, 2009.
2. SCHNORENBERG solicited investors to invest in the fraudulent business activity of Salus Marketing Enterprises, LLC; Trinity Affiliated Group, LLC; Premier Advantage Insurance Agency; and KJS Marketing, Inc. SCHNORENBERG provided investors a promissory note or a "letter of agreement" to evidence their investment. SCHNORENBERG never told investors of the actual risks associated with the investments.
3. In connection with the fraudulent sale of these securities, SCHNORENBERG conducted the business of KJS from his residence, located at 7988 Witney Place, in the city of Lone Tree, Douglas County, Colorado. Schnorenberg conducted the businesses of Salus, Trinity and PAIA from their listed locations in Arapahoe County, Colorado. In furtherance of the commission of this offense, SCHNORENBERG used and opened several bank accounts in both his name and in the names of his business entities, including: Salus Marketing Enterprises, LLC; Trinity Affiliated Group, LLC; Premier Advantage Insurance Agency; and KJS Marketing, Inc. SCHNORENBERG would collect the investment checks personally, have investors mail or bring investment checks to his above listed residence, or direct investors to deposit the funds directly through wire transfer into a Colorado bank account used by SCHNORENBERG.
4. The investments SCHNORENBERG solicited directly or indirectly, in connection with this count, include one or more of the following:
 - 1) On or about May 28, 2009, Robert Tench invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference

- 2) On or about July 1, 2009, Barry Graham invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 3) On or about October 1, 2009, Sharon and Gary Roberts invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 4) On or about October 16, 2009, David J. Seifried invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 5) On or about December 1, 2009, Robin Beemer invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 6) On or about December 9, 2009, Patricia Friedman invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 7) On or about December 24, 2009, Janelle Saar invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described

in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 8) On or about January 18, 2010, Charles A. Rudolph invested approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 9) About and between January 21, 2010, and September 17, 2010, Lynn Evans invested a total of approximately twenty two thousand nine hundred seventy dollars (\$22,970.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 10) On or about February 11, 2010, Howard Gengerke invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 11) About and between February 16, 2010, and March 17, 2010, Roberta Herbertson invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 12) On or about March 10, 2010, Herman and Wilhelmina Matern invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 13) On or about March 29, 2010, M. Apodaca-McCarrell invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described

in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 14) On or about April 5, 2010, Margery Venning invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 15) On or about April 16, 2010, Navajo Lutheran Church, Inc. invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 16) About and between May 4, 2010, and October 1, 2010 William Prouty invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 17) About and between May 17, 2010, and July 16, 2010, Randall David Richards invested a total of approximately fifty five thousand dollars (\$55,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 18) About and between June 8, and June 10, 2010, Robert and Carole Chiapuzio invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 19) On or about July 30, 2010, Scott Ponzio invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these

securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 20) On or about July 30, 2010, Randall David Richards, Pat Hayes and Bryan Holst, by and through PBR HR Holdings invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 21) On or about August 17, 2010, John Hayes invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 22) On or about November 4, 2010, James and Mary Kay Pieper invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 23) About and between November 16, and November 30, 2010, Patricia Carmack invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 24) On or about November 19, 2010, William and Kathy Pollock invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 25) About and between December 10, 2010, and March 21, 2011, Archie Hayden invested a total of approximately three hundred fifty thousand dollars (\$350,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 26) On or about December 16, 2010, George and Cathleen Tucker invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to these investors, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 27) On or about December 21, 2010, Michael and Theresa Cometto invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 28) About and between January 6, 2011 and January 27, 2011, Larry W. and M Arlene Coshow invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 29) On or about January 31, 2011, David and Jennifer Block invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 30) On or about February 2, 2011, Randy and Cheryle Farmer invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described

in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 31) On or about February 18, 2011, Christopher Mullen invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 32) On or about February 22, 2011, Warren Lee Madison invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 33) About and between February 22, 2011, and April 7, 2011, David and Mary Camery invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to these investors, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 34) On or about March 13, 2011, Karen and Bill Fehringer invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 35) On or about March 14, 2011, Steve Mulholland invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 36) On or about March 16, 2011, Larry and Becky Steensland invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the

sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 37) On or March 17, 2011, Kevin and Patricia Williams invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 38) On or about March 17, 2011, Ronald and Patricia Prinkki invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 39) On or about March 25, 2011, Harold and Sally Jo Berg invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 40) On or about March 29, 2011, Christina Quinn invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 41) On or about March 30, 2011, Craig Novotny invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
5. In connection with the sale of these securities to these investors, SCHNORENBERG engaged in a course of business which operated as a

fraud, in part, by accepting investments for the businesses Salus Marketing Enterprises, LLC; Trinity Affiliated Group, LLC; Premier Advantage Insurance Agency; and KJS Marketing, Inc. SCHNORENBERG failed to use the funds in the represented manner. SCHNORENBERG also failed to make the necessary disclosures at any time subsequent to the investments. The circumstances surrounding the sales, acts, practices and course of business engaged in by SCHNORENBERG, including the untrue statements of material fact and failure to disclose, are described in the narrative of Essential Facts, and the paragraphs following Counts One through Eight, each of which are hereby incorporated by reference.

Section II

“Hegemon Holdings”

Beginning in approximately April of 2011, Schnorenberg solicited investors in Hegemon Holdings, LLC. Schnorenberg solicited and accepted investments in this company about and between April, of 2011, and through approximately September of 2012.

COUNT TEN

(Securities Fraud – F3)

A On or about May 16, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Harold and Dorothy York, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Harold and Dorothy York, by and through the family trust, invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of

material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT ELEVEN
(Securities Fraud – F3)

About and between June 6, 2011 and March 20, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Sandra Brockmeier, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Sandra Brockmeier invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWELVE
(Securities Fraud – F3)

About and between June 6, 2011 and March 20, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Karl Brockmeier, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Karl Brockmeier invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose

material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT THIRTEEN
(Securities Fraud – F3)

On or about June 23, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to James Pollak, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

James Pollak invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT FOURTEEN
(Securities Fraud – F3)

About and between August 1, 2011, and August 21, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Grant Hinchcliff, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Grant Hinchcliff invested a total of approximately two hundred fifty thousand dollars (\$250,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to

disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT FIFTEEN
(Securities Fraud – F3)

On or about August 2, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Karen and Russell Hinkle, by and through the Hinkle Family Trust, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Karen and Russell Hinkle, by and through the Hinkle Family Trust invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT SIXTEEN
(Securities Fraud – F3)

About and between August 3, 2011, and November 17, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Floyd and Iris Harnagel, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Floyd and Iris Harnagel invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this

investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT SEVENTEEN
(Securities Fraud – F3)

On or about August 19, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Tracy and Russell Blanch, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Tracy and Russell Blanch invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT EIGHTEEN
(Securities Fraud – F3)

About and between September 29, 2011, and November 4, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Beau and Levi Single, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Beau and Levi Single invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT NINETEEN
(Securities Fraud – F3)

On or about November 10, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Scott Wells, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Scott Wells invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWENTY
(Securities Fraud – F3)

About and between November 30, 2011, and December 9, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Teri Henrichs, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and

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

Teri Henrichs invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWENTY ONE
(Securities Fraud – F3)

On or about December 21, 2011, in and triable in the State of Colorado, KELLY JAMES SCHNORENBURG, in connection with the offer, or sale of any security to Sara Wells, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Sara Wells invested a total of twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWENTY TWO
(Securities Fraud – F3)

About and between May 8, 2012, and August 20, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBURG, in connection with the offer, or sale of any security to Serena Wardell, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-

51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Serena Wardell invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWENTY THREE
(Securities Fraud – F3)

On or about July 19, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Jerry Barker, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Jerry Barker invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWENTY FOUR
(Securities Fraud – F3)

On or about August 2, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Awriannah Bautista, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-

51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Awriannah Bautista invested a total of approximately forty thousand dollars (\$40,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWENTY FIVE
(Securities Fraud – F3)

On or about September 10, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Adelaida Silverio, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Adelaida Silverio invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWENTY SIX
(Securities Fraud – F3)

On or about September 13, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Laurna and Gil Cruz, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-

51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Laurna and Gil Cruz invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWENTY SEVEN
(Securities Fraud – Course of Business F3)

During and between April of 2011, through approximately September of 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBURG, in connection with the offer or sale of any security to investors in Hegemon Holdings, LLC, directly or indirectly, unlawfully, feloniously, and knowingly engaged in any course of business which operated or would operate as a fraud or deceit upon any person, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501 (1) (c) and 11-51-603 (1), as amended, and against the peace and dignity of The People of the State of Colorado, and as more fully set out below:

1. From approximately April of 2011, through approximately September of 2012, investors were told they would be investing in Hegemon Holdings.
2. SCHNORENBURG solicited investors to invest in the fraudulent business activity of Hegemon Holdings, LLC. SCHNORENBURG provided investors “letters of agreement” to evidence their investment. SCHNORENBURG never told investors of the actual risks associated with the investments.
3. In connection with the fraudulent sale of these securities, SCHNORENBURG conducted business from his residence, located at 7988 Witney Place, in the city of Lone Tree, Douglas County, Colorado. In furtherance of the commission of this offense, SCHNORENBURG used and opened several bank accounts in both his name and in the name of his business, including KJS Marketing, Inc. SCHNORENBURG would collect the investment checks personally, have investors mail or bring investment checks to his above listed residence, or direct investors to deposit the funds directly through wire transfer into a Colorado bank account used by SCHNORENBURG.

4. The investments SCHNORENBERG solicited directly or indirectly, in connection with this count, include one or more of the following:
 - 1) On or about April 1, 2011, Richard and Cecelia Carter invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 2) On or about April 1, 2011, Mike and Ruth Perry invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 3) On or April 9, 2011, Kevin and Patricia Williams invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 4) About and between April 13, 2011, and November 23, 2011, Charles and Kathleen Koenig invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 5) On or about April 21, 2011, Ivan Block and Janet Youngblood invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 6) On or about April 21, 2011, George and Cathleen Tucker invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to these investors, SCHNORENBERG made untrue

statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 7) On or about April 22, 2011, Sasha Block invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 8) On or about April 22, 2011, Pam Rankin, by and through P&R Associates, invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 9) On or about April 22, 2011, Glen Taylor invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 10) On or about April 27, 2011, Craig Novotny invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 11) On or about May 2, 2011, Beulah Rice invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 12) On or about May 5, 2011, Naomi Stein invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 13) About and between May 6, 2011, and June 13, 2012, Randy and Cheryle Farmer invested a total of approximately six hundred thousand dollars (\$600,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 14) On or about May 16, 2011, Harold and Dorothy York, by and through the family trust, invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 15) About and between May 20, 2011, and January 3, 2012, John Schultz and JKEMC Family, LLC invested approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 16) About and between May 21, 2011, and January 3, 2012, John A. Billings invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 17) About and between June 6, 2011 and March 20, 2012, Sandra Brockmeier invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 18) About and between June 6, 2011 and March 20, 2012, Karl Brockmeier invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to

disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 19) About and between June 14, 2011, and July 5, 2012, Dan Mangus invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 20) On or about June 20, 2011, Margo Cornett invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 21) On or about June 23, 2011, James Pollak invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 22) On or about July 25, 2011, Elaine Badger invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 23) About and between August 1, 2011, and August 21, 2012, Grant Hinchcliff invested a total of approximately two hundred fifty thousand dollars (\$250,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 24) On or about August 2, 2011, Karen and Russell Hinkle, by and through the Hinkle Family Trust invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this

investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 25) About and between August 3, 2011, and November 17, 2011, Floyd and Iris Harnagel invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 26) On or about August 11, 2011, Pierre and Lakeshia Clements invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 27) On or about August 18, 2011, John and Louetta Kennedy invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 28) On or about August 19, 2011, Larry and Becky Steensland invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 29) On or about August 19, 2011, Tracy and Russell Blanch invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 30) On or about September 9, 2011, Gary Crandell invested a total of approximately thirty thousand dollars (\$30,000.00). In connection with the

- sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 31) About and between September 23, 2011, and April 17, 2013, Peter Hollens invested a total of approximately ninety thousand dollars (\$90,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 32) About and between September 29, 2011, and November 4, 2011, Beau and Levi Single and by and through Single Water Service, invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 33) On or about October 19, 2011, William Hensley, by and through Peak Laboratories, Inc. invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 34) On or about November 2, 2011, Kevin and Deann Meenan invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 35) On or about November 9, 2011, Joe Nevarez invested a total of approximately twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 36) On or about November 10, 2011, Ty and Anita Crawford, by and through Crawford Customz Auto Transport invested a total of approximately twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 37) On or about November 10, 2011, Scott Wells invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 38) On or about November 10, 2011, Joseph Day, by and through AAA Satellite invested a total of approximately twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 39) About and between November 12, 2011, and June 14, 2012, John Conaway invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 40) On or about and November 14, 2011, Charles and Tonja Ochonmah invested a total of twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 41) On or about November 18, 2011, Jene and Janet Kasperbauer invested a total of approximately four thousand nine hundred eighty nine dollars and eighty one cents (\$4,989.81). In connection with the sale of this security to these investors, SCHNORENBURG made untrue statements of material fact,

and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 42) On or about November 21, 2011, Ronald Rutten, by and through Country Partners, invested a total of approximately seventy thousand ten dollars (\$70,010.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 43) About and between November 30, 2011, and December 9, 2011, Teri Henrichs invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 44) On or about December 21, 2011, Sara Wells invested a total of twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 45) About and between March 14, 2012 and April 25, 2012, Todd Kahler invested a total of approximately one hundred twenty five thousand dollars (\$125,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 46) On or about April 26, 2012, Kevin and Patricia Williams invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 47) About and between May 8, 2012, and August 20, 2012, Serena Wardell invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to

disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 48) On or about June 23, 2012, John Braden, by and through ECO2 Capital Inc., invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 49) On or about July 19, 2012, Jerry Barker invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 50) On or about August 2, 2012, Awrinnah Bautista invested a total of approximately forty thousand dollars (\$40,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 51) On or about September 10, 2012, Adelaida Silverio invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 52) On or about September 13, 2012, Mark Soderdahl invested a total of approximately thirty seven thousand five hundred dollars (\$37,500.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 53) On or about September 13, 2012, Lurna and Gil Cruz invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described

in the Narrative of Essential Facts, which is hereby incorporated by reference.

5. In connection with the sale of these securities to these investors, SCHNORENBERG engaged in a course of business which operated as a fraud, in part, by accepting investments for the businesses of KJS Marketing, Inc. and Hegemon Holdings, LLC. SCHNORENBERG failed to use the funds in the represented manner. SCHNORENBERG also failed to make the necessary disclosures at any time subsequent to the investments. The circumstances surrounding the sales, acts, practices and course of business engaged in by SCHNORENBERG, including the untrue statements of material fact and failure to disclose, are described in the narrative of Essential Facts, and the paragraphs following Counts One through Twenty Six, each of which are hereby incorporated by reference.

Section III “Quantum Success Strategies, LLC”

Beginning in approximately September of 2012, Schnorenberg solicited investors in Quantum Success Strategies, LLC. Schnorenberg solicited and accepted investments in this company about and between September of 2012, and through approximately July of 2014.

COUNT TWENTY EIGHT (Securities Fraud – F3)

On or about October 9, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Apolonia Magpili Tinio, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Apolonia Magpili Tinio invested a total of approximately forty eight thousand dollars (\$48,000.00). In connection with the sale of this security to this investor,

Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT TWENTY NINE
(Securities Fraud – F3)

About and between October 23, 2012, and October 31, 2012, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Jocelyn Elpidama, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Jocelyn Elpidama invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT THIRTY
(Securities Fraud – F3)

On or about May 2, 2013, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Steve Kolmer, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Steve Kolmer invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose

material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT THIRTY ONE
(Securities Fraud – F3)

On or about June 5, 2013, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Robbie Ramos, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Robbie Ramos invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT THIRTY TWO
(Securities Fraud – F3)

On or about July 12, 2013, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer, or sale of any security to Christopher Anton, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Christopher Anton invested a total of approximately fifteen thousand dollars (\$15,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to

disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT THIRTY THREE
(Securities Fraud – F3)

On or about September 24, 2013, in and triable in the State of Colorado, KELLY JAMES SCHNORENBURG, in connection with the offer, or sale of any security to Larry Oshinsky, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

Larry Oshinsky invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT THIRTY FOUR
(Securities Fraud – F3)

On or about June 4, 2014, in and triable in the State of Colorado, KELLY JAMES SCHNORENBURG, in connection with the offer, or sale of any security to James Jorgensen, directly or indirectly, unlawfully, feloniously and willfully made any untrue statement of a material fact and omitted to state a material fact necessary in order to make the statements made, in light of the circumstance under which they were made, not misleading, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501(1)(b) and 11-51-603(1), as amended, against the peace and dignity of The People of the State of Colorado. (Securities Fraud – Class 3 Felony)

James Jorgensen invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to

disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

COUNT THIRTY FIVE
(Securities Fraud – Course of Business F3)

During and between September 2012, until July of 2014, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in connection with the offer or sale of any security to investors in Quantum Success Strategies, LLC, directly or indirectly, unlawfully, feloniously, and knowingly engaged in any course of business which operated or would operate as a fraud or deceit upon any person, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501 (1) (c) and 11-51-603 (1), as amended, and against the peace and dignity of The People of the State of Colorado, and as more fully set out below:

1. From September 2012, until July of 2014, investors were told their money would fund Quantum Success Strategies, LLC.
2. SCHNORENBERG solicited investors to invest in the fraudulent business activity of Quantum Success Strategies, LLC. SCHNORENBERG provided investors an agreement to evidence their investment. SCHNORENBERG never told investors of the actual risks associated with the investments.
3. In connection with the fraudulent sale of these securities, SCHNORENBERG conducted business from his residence, located at 7988 Witney Place, in the city of Lone Tree, Douglas County, Colorado. In furtherance of the commission of this offense, SCHNORENBERG used, opened and directed several bank accounts in both his name and in the names of his business entities, including Quantum Success Strategies, LLC and KJS Marketing, Inc. SCHNORENBERG would collect the investment checks personally, have investors mail or bring investment checks to his above listed residence, or direct investors to deposit the funds directly through wire transfer into a Colorado bank account used by SCHNORENBERG.
4. The investments SCHNORENBERG solicited directly or indirectly, in connection with this count, include one or more of the following:
 - 1) On or about October 9, 2012, Apolonia Magpili Tinio invested a total of approximately forty eight thousand dollars (\$48,000.00). In connection

with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 2) About and between October 23, 2012, and October 31, 2012, Jocelyn Elpidama invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 3) On or about October 25, 2012, Serena Wardell invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 4) On or about November 2, 2012, Farmer Family Trust invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 5) On or about November 6, 2012, Prouty Family Trust invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 6) On or about November 30, 2012, Seshardi and Vibhangi Aravind invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 7) About and between December 4, 2012, and December 27, 2012 John A. Billings invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 8) On or about December 20, 2012, Brett Kahler invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 9) About and between December 21, 2012, and August 9, 2013, Craig Kahler invested a total of approximately one hundred forty two thousand dollars (\$142,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 10) On or about December 31, 2012, Ben Harriman, by and through Back Bay Capital, invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 11) About and between January 23, 2013, and February 4, 2013, Christopher Mullen invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 12) About and between February 11, 2013, and July 10, 2013, David and Cleata Zelenka invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of

material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 13) On or about February 11, 2013, Ellen and Elmer Krogh invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 14) On or about February 12, 2013, Kelly Ogden invested a total of approximately sixty five thousand dollars (\$65,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 15) On or about February 12, 2013, Ann Horan invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 16) On or about February 14, 2013, Wanna Choy invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 17) On or about February 14, 2013, Maria Frassner invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 18) On or about February 15, 2013, Betty Hoke invested a total of approximately fifteen thousand dollars (\$15,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 19) On or about February 16, 2013, Betty Linli Pham invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 20) On or about February 27, 2013, Isaac Salazar invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 21) About and between March 1, 2013, and April 11, 2013, Gian Sangha invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 22) On or about March 3, 2013, Vienna Ly k Nam Nguyen invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 23) On or about March 4, 2013, Nancy Kim invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as

described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 24) On or about March 8, 2013, NGHI LY AGENCY invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 25) About and between March 13, 2013, and May 6, 2013, Kelly Matsumura invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 26) On or about March 18, 2013, Alejandra Salazar invested a total of approximately forty eight thousand dollars (\$48,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 27) On or about April 4, 2013, NGHI LY NAM H NGUYEN invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 28) On or about April 10, 2013, Kevin Vuong and Dao Kim invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 29) On or about April 15, 2013, Cristy Bangal invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection

with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 30) About and between April 22, 2013, and May 22, 2013, Dante Cacal invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 31) On or about April 25, 2013, Nimi Hart invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 32) On or about May 2, 2013, Steve Kolmer invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 33) On or about May 2, 2013, JRC Realty invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 34) On or about May 3, 2013, Guendolyn Marrotte invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 35) About and between May 9, 2013, and July 3, 2013, Yuri Kasparov invested a total of approximately eighty three thousand nine hundred seventy dollars (\$83,970.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 36) On or about May 9, 2013, Waheeda Nazamally invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 37) On or about May 13, 2013, Raymond V. Erni and Associates, Inc. invested a total of approximately thirty five thousand dollars (\$35,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 38) On or about May 16, 2013, Elsie and Mitch Agra invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 39) On or about May 17, 2013, Hoang Tran invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 40) On or about May 27, 2013, Anne Jefferson invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as

described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 41) On or about May 28, 2013, William and Andrea Brown invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 42) On or about May 29, 2013, Michael Asari invested a total of approximately forty nine thousand four hundred dollars (\$49,400.00) in two separate transactions. In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 43) About and between June 3, 2013, and December 9, 2013, Donald Zimmerman invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 44) On or about June 5, 2013, 2013, Robbie Ramos invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 45) On or about June 5, 2013, Jasmine Khammaloun invested a total of approximately forty thousand dollars (\$40,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 46) On or about June 6, 2013, Ngoc-Hien Tran invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the

sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 47) On or about June 6, 2013, Anthony Ton and Diane Nguyen invested a total of approximately sixty thousand dollars (\$60,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 48) On or about June 7, 2013, Chad Ahmed invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 49) On or about June 7, 2013, Kim Loan Pham invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 50) On or about June 12, 2013, Bruce McClure invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 51) About and between June 28, 2013 and September 18, 2013, Eric Brown invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 52) On or about July 1, 2013, John A. and Toni Billings invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 53) On or about July 12, 2013, Christopher Anton invested a total of approximately fifteen thousand dollars (\$15,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 54) On or about July 16, 2013, Donald King invested a total of approximately forty nine thousand dollars (\$49,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 55) On or about July 17, 2013, Jude Bouthsarath invested a total of approximately forty eight thousand seven hundred dollars (\$48,700.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 56) On or about July 22, 2013, Raimoon and Sandia Mahamed invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 57) About and between July 23, and July 31, 2013, Louis Jones invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as

described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 58) On or about July 23, 2013, Linda and Lionel McCaskie invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 59) On or about July 25, 2013, Tu Vanpham invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 60) On or about July 26, 2013, Jerry Richmond invested a total of approximately sixty thousand dollars (\$60,000.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 61) On or about July 29, 2013, Gloria Szyka Mangaliman invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 62) On or about July 29, 2013, Deloris Gordon and Kathleen Armstrong invested a total of approximately forty thousand dollars (\$40,000.00) in two separate transactions. In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 63) On or about July 31, 2013, Dorothy Garner invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the

sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 64) On or about August 2, 2013, Bertha Ciceron invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 65) On or about August 2, 2013, Louis Iglesias invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 66) On or about August 5, 2013, Ikbal Sheriff invested a total of approximately thirty seven thousand dollars (\$37,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 67) On or about August 6, 2013, Magnolia Trust, invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 68) On or about August 7, 2013, Nadia Kinda invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 69) On or about August 9, 2013, Thomas Gordon invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 70) On or about August 14, 2013, Steve Vu invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 71) On or about August 22, 2013, Amordie Casayas invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 72) On or about September 19, 2013, Roger Agsalda invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 73) About and between September 20, 2013, and February 3, 2014, John Schultz and JKEMC Family, LLC invested approximately five hundred fifty thousand dollars (\$550,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 74) On or about September 24, 2013, Larry Oshinsky invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as

described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 75) On or about September 26, 2013, Joseph Blackett invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 76) On or about September 26, 2013, Zenaida Agsalda invested a total of approximately fifteen thousand dollars (\$15,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 77) On or about September 27, 2013, Amy Mitchell invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 78) On or about September 27, 2013, Winnie Bartolome invested a total of approximately thirteen thousand dollars (\$13,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 79) On or about October 3, 2013, Karen Thoben invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 80) On or about October 9, 2013, Joycelyn Lyles invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the

sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 81) On or about October 11, 2013, Don and Tondi McGuire invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 82) About and between October 16, 2013, and November 20, 2013, Dennis Bartolome invested a total of approximately thirty seven thousand dollars (\$37,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 83) On or about October 18, 2013, Giovanni Javier invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 84) On or about October 22, 2013, Gipson Lyles III invested a total of approximately of forty nine thousand dollars (\$49,000.00) in two separate transactions. In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 85) On or about October 25, 2013, Florinda Polendey invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 86) On or about November 6, 2013, Eugene Banez invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 87) On or about November 12, and November 18, 2013, The Friedl Trust, Chris Friedl Trustee invested a total of approximately five hundred thousand dollars (\$500,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 88) On or about November 26, 2013, Constancio Soliven invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 89) On or about November 27, 2013, Lucila Tiongson invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 90) On or about January 6, 2014, Arlene Moises invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 91) On or about January 9, 2014, Major Richardson invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor,

SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 92) On or about January 15, 2014, Landus Burroughs invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 93) About and between January 15, 2014 and March 4, 2014, Karen and Bill Fehringer invested a total of approximately two hundred thirty thousand dollars (\$230,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 94) On or about January 29, 2014, Juan Macias invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 95) On or about February 3, 2014, Emma Reyes invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 96) On or about February 5, 2014, Lynne Hermoso invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 97) On or about February 5, 2014, Dzung Kim Hoang and Hung Luong invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 98) On or about February 5, 2014, Dzung Kim Hoang and Hung Luong invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 99) About and between February 6, 2014, and April 30, 2014, Gerald Raver invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 100) On or about February 14, 2014, Dzung Kim Hoang invested a total of approximately seventy four thousand dollars (\$74,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 101) On or about and February 14, 2014, Hung Luong invested a total of approximately seventy one thousand dollars (\$71,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 102) On or about February 18, 2014, Frederic Vanta invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as

described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 103) On or about February 25, 2014, Kimahn Nguyen and Hung Vu invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 104) On or about February 26, 2014, Alex Cacho invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 105) On or about March 18, 2014, Lora Mercurio invested a total of approximately forty one thousand dollars (\$41,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 106) On or about March 18, 2014, Mark Mercurio invested a total of approximately nine thousand dollars (\$9,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 107) About and between March 20, 2014 and March 26, 2014, Joseph D'Quilope invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 108) On or about March 21, 2014, Robert Sly and Mary Beth Knight invested a total of approximately fifty thousand dollars (\$50,000.00). In

connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 109) On or about March 24, 2014, Mary Beth Knight-Tedeschi invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 110) About and between April 8, 2014, and May 2, 2014, Marvin White invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 111) On or about April 18, 2014, David Watkins invested a total of approximately twenty two thousand five hundred dollars (\$22,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 112) On or about April 29, 2014, Marnie Sablan invested a total of approximately twenty seven thousand five hundred dollars (\$27,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 113) On or about May 1, 2014, Roger Gold invested a total of approximately forty four thousand dollars (\$44,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 114) About and between May 21, 2014, and June 12, 2014, Timothy Lambros invested a total of approximately forty one thousand dollars (\$41,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 115) On or about May 22, 2014, Sharon Simms invested a total of approximately forty nine thousand five hundred dollars (\$49,500.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 116) On or about June 4, 2014, James Jorgensen invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 117) On or about June 4, 2014, Angel Tran invested a total of approximately twenty five thousand dollars (\$25,000.00) in two separate transactions. In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 118) On or about June 13, 2014, Dale Baehr invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 119) About and between June 26, 2014, and July 14, 2014, Darlene Orr invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact,

and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 120) On or about July 7, 2014, Ida Baligod invested a total of approximately forty thousand dollars (\$40,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 121) On or about July 9, 2014, Randall Lee invested a total of approximately thirty thousand dollars (\$30,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 122) On or about July 8, 2014, John Schultz and JKEMC Family, LLC invested approximately two hundred fifty thousand dollars (\$250,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 123) On or about July 23, 2014, Chau Van Doan and Kim Doan invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 124) On or about July 24, 2014, Florence Baliling invested a total of approximately forty thousand dollars (\$40,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 125) On or about July 24, 2014, Nata Clinkinbeard invested a total of approximately forty six thousand dollars (\$46,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 126) On or about July 28, 2014, Charlain Bland invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
5. In connection with the sale of these securities to these investors, SCHNORENBERG engaged in a course of business which operated as a fraud, in part, by accepting investments for the businesses of Quantum Success Strategies, LLC and KJS Marketing, Inc. SCHNORENBERG failed to use the funds in the represented manner. SCHNORENBERG also failed to make the necessary disclosures at any time subsequent to the investments. The circumstances surrounding the sales, acts, practices and course of business engaged in by SCHNORENBERG, including the untrue statements of material fact and failure to disclose, are described in the narrative of Essential Facts, and the paragraphs following Counts One through Thirty Four, each of which are hereby incorporated by reference.

Section IV
“WealthSmart America, LLC”

Beginning in approximately August of 2014, Schnorenberg solicited investors in WealthSmart America, LLC. Schnorenberg solicited and accepted investments in this company about and between August of 2014, and through approximately July of 2015.

COUNT THIRTY SIX
(Securities – Course of Business F3)

During and between August of 2014 and through approximately July of 2015, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG, in

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

1. Investors who invested in and after August of 2014 were told that their investments would fund WealthSmart America, LLC (WSA).
2. SCHNORENBERG solicited investors to invest in the fraudulent business activity of WealthSmart America, LLC, KJS Marketing, Inc. and James Marketing Company, LLC. SCHNORENBERG provided investors an agreement to evidence their investment. SCHNORENBERG never told investors of the actual risks associated with the investments.
3. In connection with the fraudulent sale of these securities, SCHNORENBERG conducted business from his residence, located at 7988 Witney Place, in the city of Lone Tree, Douglas County, Colorado. In furtherance of the commission of this offense, SCHNORENBERG used, opened and directed several bank accounts in both his name and in the names of his business entities, including: WealthSmart America, LLC, KJS Marketing, Inc., and James Marketing Company, LLC. SCHNORENBERG would collect the investment checks personally, have investors mail or bring investment checks to his above listed residence, or direct investors to deposit the funds directly through wire transfer into a Colorado bank account used by SCHNORENBERG.
4. The investments SCHNORENBERG solicited directly or indirectly, in connection with this count, include one or more of the following:
 - 1) On or about August 12, 2014, Victoria Hamilton invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 2) On or about August 13, 2014, Kimahn Nguyen and Hung Vu invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection

with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 3) On or about August 14, 2014, Leroy Brown invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 4) On or about August 20, 2014, Lenie Abella invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 5) On or about August 27, 2014, Ida Baligod invested a total of approximately eight thousand dollars (\$8,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 6) On or about August 28, 2014, Dale Dicks invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 7) On or about September 3, 2014, Catherine Mendoza and Maria Preston invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 8) On or about September 10, 2014, Sharon Simms invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue

statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 9) About and between September 17, 2014, and January 29, 2015, Ramon Valera invested a total of approximately thirty five thousand dollars (\$35,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 10) On or about September 19, 2014, Raul Galang invested a total of approximately forty nine thousand five hundred dollars (\$49,500.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 11) On or about September 19, 2014, John Sonico invested a total of approximately fifty five thousand dollars (\$55,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 12) On or about September 23, 2014, Jayaprakash Jayaraj invested a total of approximately fifty thousand dollars (\$50,000.00) in two separate transactions. In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 13) On or about October 1, 2014, Eva McQueen invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 14) On or about October 10, 2014, Harvinder Singh invested a total of approximately seventy thousand dollars (\$70,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 15) On or about October 10, 2014, Sorivone Hadsabout invested a total of approximately forty nine thousand dollars (\$49,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 16) On or about October 31, 2014, Elsie and Mitch Agra invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 17) On or about November 10, 2014, Robert Baird & Company invested a total of approximately thirty thousand dollars (\$30,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 18) On or about November 10, 2014, David Watkins invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 19) On or about November 21, 2014, Cheryl Poole invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described

in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 20) On or about December 4, 2014, Sandra Davis invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 21) On or about December 4, 2014, Leonardo Francisco invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 22) About and between December 15, 2014, and April 17, 2015, Dennis Bach invested a total of approximately forty nine thousand five hundred dollars (\$49,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 23) On or about December 22, 2014, Shigeru Morikone Trust and Abraham Morikone invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 24) On or about January 6, 2015, Richard Truong Thien invested a total of approximately thirty five thousand dollars (\$35,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 25) On or about January 9, 2015, John A. Billings invested a total of approximately sixty thousand dollars (\$60,000.00). In connection with the

sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 26) About and between January 14, 2015, and July 23, 2015, Randy and Kim Getz invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 27) On or about January 20, 2015, Jeffery Steven Young invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 28) About and between January 25, 2015, and March 17, 2015, Donelyn Edwards-Dunn invested a total of approximately one hundred nine thousand eight hundred dollars (\$109,800.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 29) About and between January 28, and January 29, 2015, Benjamin Ng and Window of Heaven Mission invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 30) On or about February 2, 2015, Crystal Agoncillo invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 31) On or about February 2, 2015, Jenni Agoncillo invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 32) On or about February 24, 2015, Trang Pham invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 33) On or about February 27, 2015, Josie Pacheco invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 34) On or about March 20, 2015, Tom Chiu invested a total of approximately forty thousand dollars (\$40,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 35) On or about March 24, 2015, Orma Crocker invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 36) About and between March 24, 2015, and April 9, 2015, Rise Meyers invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 37) On or about March 25, 2015, Leland Eudy invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 38) On or about March 26, 2015, Lynne Hermoso invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 39) About and between April 1, and April 30, 2015, Aurora Agoncillo invested a total of approximately seventy thousand dollars (\$70,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 40) On or about April 1, 2015, Willie Brown invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 41) On or about April 6, 2015, Daniel Heiskell invested a total of approximately nine thousand six hundred dollars (\$9,600.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 42) On or about April 7, 2015, Sheila Terry invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 43) On or about April 22, 2015, Rosita Velasco invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 44) On or about May 22, 2015, Kendall Fluharty invested a total of approximately thirty thousand dollars (\$30,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 45) On or about July 15, 2015, Marvin White invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 46) On or about July 15, 2015, Gloria Wiles invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 47) On or about July 28, 2015 Machell and Michael B Jackson invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
5. In connection with the sale of these securities to these investors, SCHNORENBERG engaged in a course of business which operated as a fraud, in part, by accepting investments for the businesses of WealthSmart America, LLC and KJS Marketing, Inc. and related entities. SCHNORENBERG failed to use the funds in the represented manner. SCHNORENBERG also failed to make the necessary disclosures at any time subsequent to the investments. The circumstances surrounding the sales,

acts, practices and course of business engaged in by SCHNORENBURG, including the untrue statements of material fact and failure to disclose, are described in the narrative of Essential Facts, and the paragraphs following Counts One through Thirty Five, each of which are hereby incorporated by reference.

Section V
“KJS Marketing, Inc.”

Beginning in approximately May of 2009, Schnorenberg directed funds solicited from investors into KJS Marketing, Inc. Schnorenberg solicited and accepted investments in this company about and between May of 2009, and through approximately July of 2015.

COUNT THIRTY SEVEN
(Securities Fraud – Course of Business F3)

During and between May 28, 2009, and July 28, 2015, in and triable in the State of Colorado, KELLY JAMES SCHNORENBURG, in connection with the offer or sale of any security to investors in KJS Marketing, Inc. and related entities, directly or indirectly, unlawfully, feloniously, and knowingly engaged in any course of business which operated or would operate as a fraud or deceit upon any person, contrary to the form of the statutes in such case made and provided, C.R.S. §§11-51-501 (1) (c) and 11-51-603 (1), as amended, and against the peace and dignity of The People of the State of Colorado, and as more fully set out below:

1. SCHNORENBURG solicited investors to invest in the fraudulent business activity of KJS Marketing, Inc. and related entities. SCHNORENBURG provided investors “Promissory Notes” and “Letters of Agreement” to evidence their investment. SCHNORENBURG never told investors of the actual risks associated with the investments.
2. In connection with the fraudulent sale of these securities, SCHNORENBURG conducted business from his residence, located at 7988 Witney Place, in the city of Lone Tree, Douglas County, Colorado. In furtherance of the commission of this offense, SCHNORENBURG used and opened several bank accounts in both his name and in the names of his business entities,

including: Salus Marketing Enterprises, LLC (Salus); Premier Advantage Insurance Agency (PAIA), Trinity Affiliated Group, LLC (Trinity); Hegemon Holdings (HH); Quantum Success Strategies (QS2); WealthSmart America, LLC (WSA), KJS Marketing, Inc., and James Marketing Company, LLC. SCHNORENBERG would collect the investment checks personally, have investors mail or bring investment checks to his above listed residence, or direct investors to deposit the funds directly through wire transfer into a Colorado bank account used by SCHNORENBERG.

3. The investments SCHNORENBERG solicited directly or indirectly, in connection with this count, include one or more of the following:
 - 1) On or about May 28, 2009, Robert Tench invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 2) On or about July 1, 2009, Barry Graham invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 3) On or about October 1, 2009, Sharon and Gary Roberts invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 4) On or about October 16, 2009, David J. Seifried invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
 - 5) On or about December 1, 2009, Robin Beemer invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue

statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 6) On or about December 9, 2009, Patricia Friedman invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 7) On or about December 24, 2009, Janelle Saar invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 8) On or about January 18, 2010, Charles A. Rudolph invested approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 9) About and between January 21, 2010, and September 17, 2010, Lynn Evans invested a total of approximately twenty two thousand nine hundred seventy dollars (\$22,970.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 10) On or about February 11, 2010, Howard Gengerke invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 11) About and between February 16, 2010, and March 17, 2010, Roberta Herbertson invested a total of approximately fifty thousand dollars

(\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 12) On or about March 10, 2010, Herman and Wilhelmina Matern invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 13) On or about March 29, 2010, M. Apodaca-McCarrell invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 14) On or about April 5, 2010, Margery Venning invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 15) On or about April 16, 2010, Navajo Lutheran Church, Inc. invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 16) About and between May 4, 2010, and October 1, 2010 William Prouty invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 17) About and between May 17, 2010, and July 16, 2010, Randall David Richards invested a total of approximately fifty five thousand dollars (\$55,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 18) About and between June 8, and June 10, 2010, Robert and Carole Chiapuzio invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 19) On or about July 30, 2010, Scott Ponzio invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 20) On or about July 30, 2010, Randall David Richards, Pat Hayes and Bryan Holst, by and through PBR HR Holdings invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 21) On or about August 17, 2010, John Hayes invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 22) On or about November 4, 2010, James and Mary Kay Pieper invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 23) About and between November 16, and November 30, 2010, Patricia Carmack invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 24) On or about November 19, 2010, William and Kathy Pollock invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 25) About and between December 10, 2010, and March 21, 2011, Archie Hayden invested a total of approximately three hundred fifty thousand dollars (\$350,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 26) About and between December 16, 2010, and April 21, 2011, George and Cathleen Tucker invested a total of approximately seventy thousand dollars (\$70,000.00). In connection with the sale of this security to these investors, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 27) On or about December 21, 2010, Michael and Theresa Cometto invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 28) About and between January 6, 2011 and January 27, 2011, Larry W. and M Arlene Coshow invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to

disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 29) On or about January 31, 2011, David and Jennifer Block invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 30) About and between February 2, 2011, and June 13, 2012, Randy and Cheryle Farmer invested a total of approximately six hundred fifty thousand dollars (\$650,000.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 31) About and between February 18, 2011, and February 4, 2013, Christopher Mullen invested a total of approximately two hundred fifty thousand dollars (\$250,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 32) On or about February 22, 2011, Warren Lee Madison invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 33) About and between February 22, 2011, and April 7, 2011, David and Mary Camery invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to these investors, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 34) About and between March 13, 2011, and January 15, 2014, Karen and Bill Fehringer invested a total of approximately two hundred eighty thousand

dollars (\$280,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

35) On or about March 14, 2011, Steve Mulholland invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

36) About and between March 16, 2011, and August 19, 2011, Larry and Becky Steensland invested a total of approximately thirty five thousand dollars (\$35,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

37) About and between March 17, 2011, and April 26, 2012, Kevin and Patricia Williams invested a total of approximately one hundred seventy five thousand dollars (\$175,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

38) On or about March 17, 2011, Ronald and Patricia Prinkki invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

39) On or about March 25, 2011, Harold and Sally Jo Berg invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 40) On or about March 29, 2011, Christina Quinn invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 41) About and between March 30, 2011, and April 27, 2011, Craig Novotny invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 42) On or about April 1, 2011, Richard and Cecelia Carter invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 43) On or about April 1, 2011, Mike and Ruth Perry invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 44) About and between April 13, 2011, and November 23, 2011, Charles and Kathleen Koenig invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 45) On or about April 21, 2011, Ivan Block and Janet Youngblood invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 46) On or about April 22, 2011, Sasha Block invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 47) On or about April 22, 2011, Pam Rankin invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 48) On or about April 22, 2011, Glen Taylor invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 49) On or about May 2, 2011, Beulah Rice invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 50) On or about May 5, 2011, Naomi Stein invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 51) On or about May 16, 2011, Harold and Dorothy York, by and through the family trust, invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 52) About and between May 20, 2011, and July 8, 2014, John Schultz and JKEMC Family, LLC invested a total of approximately one million dollars

(\$1,000,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 53) About and between May 21, 2011, and January 9, 2015 John A. Billings invested a total of approximately four hundred sixty thousand dollars (\$460,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 54) About and between June 6, 2011 and March 20, 2012, Sandra Brockmeier invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 55) About and between June 6, 2011 and March 20, 2012, Karl Brockmeier invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 56) About and between June 14, 2011, and July 5, 2012, Dan Mangus invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 57) On or about June 20, 2011, Margo Cornett invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 58) On or about June 23, 2011, James Pollak invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 59) On or about July 25, 2011, Elaine Badger invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 60) About and between August 1, 2011, and August 21, 2012, Grant Hinchcliff invested a total of approximately two hundred fifty thousand dollars (\$250,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 61) On or about August 2, 2011, Karen and Russell Hinkle, by and through the Hinkle Family Trust invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 62) About and between August 3, 2011, and November 17, 2011, Floyd and Iris Harnagel invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 63) On or about August 11, 2011, Pierre and Lakeshia Clements invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 64) On or about August 18, 2011, John and Louetta Kennedy invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 65) On or about August 19, 2011, Tracy and Russell Blanch invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 66) On or about September 9, 2011, Gary Crandell invested a total of approximately thirty thousand dollars (\$30,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 67) About and between September 23, 2011, and April 17, 2013, Peter Hollens invested a total of approximately ninety thousand dollars (\$90,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 68) About and between September 29, 2011, and November 4, 2011, Beau and Levi Single and by and through Single Water Service, invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 69) On or about October 19, 2011, William Hensley, by and through Peak Laboratories, Inc. invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to

disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 70) On or about November 2, 2011, Kevin and Deann Meenan invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 71) On or about November 9, 2011, Joe Nevarez invested a total of approximately twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 72) On or about November 10, 2011, Ty and Anita Crawford, by and through Crawford Customz Auto Transport, invested a total of approximately twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 73) On or about November 10, 2011, Scott Wells invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 74) On or about November 10, 2011, Joseph Day, by and through AAA Satellite invested a total of approximately twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 75) About and between November 12, 2011, and June 14, 2012, John Conaway invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 76) On or about and November 14, 2011, Charles and Tonja Ochonmah invested a total of twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 77) On or about November 18, 2011, Jene and Janet Kasperbauer invested a total of approximately four thousand nine hundred eighty nine dollars and eighty one cents (\$4,989.81). In connection with the sale of this security to these investors, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 78) On or about November 21, 2011, Ronald Rutten, by and through Country Partners, invested a total of approximately seventy thousand ten dollars (\$70,010.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 79) About and between November 30, 2011, and December 9, 2011, Teri Henrichs invested a total of approximately two hundred thousand dollars (\$200,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 80) On or about December 21, 2011, Sara Wells invested a total of twelve thousand five hundred dollars (\$12,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of

material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 81) About and between March 14, 2012 and April 25, 2012, Todd Kahler invested a total of approximately one hundred twenty five thousand dollars (\$125,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 82) About and between May 8, 2012, and October 25, 2012, Serena Wardell invested a total of approximately two hundred twenty five thousand dollars (\$225,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 83) On or about June 23, 2012, John Braden, by and through ECO2 Capital Inc., invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 84) On or about July 19, 2012, Jerry Barker invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 85) On or about August 2, 2012, Awrinnah Bautista invested a total of approximately forty thousand dollars (\$40,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 86) On or about September 10, 2012, Adelaida Silverio invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue

statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 87) On or about September 13, 2012, Mark Soderdahl invested a total of approximately thirty seven thousand five hundred dollars (\$37,500.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 88) On or about September 13, 2012, Larna and Gil Cruz invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 89) On or about October 9, 2012, Apolonia Magpili Tinio invested a total of approximately forty eight thousand dollars (\$48,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 90) About and between October 23, 2012, and October 31, 2012, Jocelyn Elpidama invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, Schnorenberg made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 91) On or about November 2, 2012, Farmer Family Trust invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 92) On or about November 6, 2012, Prouty Family Trust invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 93) On or about November 30, 2012, Seshardi and Vibhangi Aravind invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 94) On or about December 20, 2012, Brett Kahler invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 95) About and between December 21, 2012, and August 9, 2013, Craig Kahler invested a total of approximately one hundred forty two thousand dollars (\$142,000.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 96) On or about December 31, 2012, Ben Harriman, by and through Back Bay Capital, invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 97) About and between February 11, 2013, and July 10, 2013, David and Cleata Zelenka invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 98) On or about February 11, 2013, Ellen and Elmer Krogh invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 99) On or about February 12, 2013, Kelly Ogden invested a total of approximately sixty five thousand dollars (\$65,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 100) On or about February 12, 2013, Ann Horan invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 101) On or about February 14, 2013, Wanna Choy invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 102) On or about February 14, 2013, Maria Frassner invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 103) On or about February 15, 2013, Betty Hoke invested a total of approximately fifteen thousand dollars (\$15,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 104) On or about February 16, 2013, Betty Linli Pham invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 105) On or about February 27, 2013, Isaac Salazar invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 106) About and between March 1, 2013, and April 11, 2013, Gian Sangha invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 107) On or about March 3, 2013, Vienna Ly k Nam Nguyen invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 108) On or about March 4, 2013, Nancy Kim invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 109) On or about March 8, 2013, NGHI LY AGENCY invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 110) About and between March 13, 2013, and May 6, 2013, Kelly Matsumura invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 111) On or about March 18, 2013, Alejandra Salazar invested a total of approximately forty eight thousand dollars (\$48,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 112) On or about April 4, 2013, NGHI LY NAM H NGUYEN invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 113) On or about April 10, 2013, Kevin Vuong and Dao Kim invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 114) On or about April 15, 2013, Cristy Bangal invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 115) About and between April 22, 2013, and May 22, 2013, Dante Cacal invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 116) On or about April 25, 2013, Nimi Hart invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 117) On or about May 2, 2013, Steve Kolmer invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 118) On or about May 2, 2013, JRC Realty invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 119) On or about May 3, 2013, Guendolyn Marrotte invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 120) On and between May 9, 2013, and July 3, 2013, Yuri Kasparov invested a total of approximately eighty three thousand nine hundred seventy dollars (\$83,970.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 121) On or about May 9, 2013, Waheeda Nazamally invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 122) On or about May 13, 2013, Raymond V. Erni and Associates, Inc. invested a total of approximately thirty five thousand dollars (\$35,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 123) About and between May 16, 2013, and October 31, 2014, Elsie and Mitch Agra invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 124) On or about May 17, 2013, Hoang Tran invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 125) On or about May 27, 2013, Anne Jefferson invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 126) On or about May 28, 2013, William and Andrea Brown invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 127) On or about May 29, 2013, Michael Asari invested a total of approximately forty nine thousand four hundred dollars (\$49,400.00) in two separate transactions. In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 128) About and between June 3, 2013, and December 9, 2013, Donald Zimmerman invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 129) On or about June 5, 2013, Robbie Ramos invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 130) On or about June 5, 2013, Jasmine Khammaloun invested a total of approximately forty thousand dollars (\$40,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 131) On or about June 6, 2013, Ngoc-Hien Tran invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 132) On or about June 6, 2013, Anthony Ton and Diane Nguyen invested a total of approximately sixty thousand dollars (\$60,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 133) On or about June 7, 2013, Chad Ahmed invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 134) On or about June 7, 2013, Kim Loan Pham invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 135) On or about June 12, 2013, Bruce McClure invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 136) About and between June 28, 2013 and September 18, 2013, Eric Brown invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 137) On or about July 1, 2013, John A. and Toni Billings invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 138) On or about July 12, 2013, Christopher Anton invested a total of approximately fifteen thousand dollars (\$15,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 139) On or about July 16, 2013, Donald King invested a total of approximately forty nine thousand dollars (\$49,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 140) On or about July 17, 2013, Jude Bouthsarath invested a total of approximately forty eight thousand seven hundred dollars (\$48,700.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 141) On or about July 22, 2013, Raimoon and Sandia Mahamed invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 142) About and between July 23, and July 31, 2013, Louis Jones invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 143) On or about July 23, 2013, Linda and Lionel McCaskie invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 144) On or about July 25, 2013, Tu Vanpham invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 145) On or about July 26, 2013, Jerry Richmond invested a total of approximately sixty thousand dollars (\$60,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 146) On or about July 29, 2013, Gloria Szyka Mangaliman invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 147) On or about July 29, 2013, Deloris Gordon and Kathleen Armstrong invested a total of approximately forty thousand dollars (\$40,000.00) in two separate transactions. In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 148) On or about July 31, 2013, Dorothy Garner invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 149) On or about August 2, 2013, Bertha Ciceron invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 150) On or about August 2, 2013, Louis Iglesias invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 151) On or about August 5, 2013, Ikbal Sheriff invested a total of approximately thirty seven thousand dollars (\$37,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described

in the Narrative of Essential Facts, which is hereby incorporated by reference.

152) On or about August 6, 2013, Magnolia Trust, invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

153) On or about August 7, 2013, Nadia Kinda invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

154) On or about August 9, 2013, Thomas Gordon invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

155) On or about August 14, 2013, Steve Vu invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

156) On or about August 22, 2013, Amordie Casayas invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

157) On or about September 19, 2013, Roger Agsalda invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements

of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 158) On or about September 24, 2013, Larry Oshinsky invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 159) On or about September 26, 2013, Joseph Blackett invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 160) On or about September 26, 2013, Zenaida Agsalda invested a total of approximately fifteen thousand dollars (\$15,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 161) On or about September 27, 2013, Amy Mitchell invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 162) On or about September 27, 2013, Winnie Bartolome invested a total of approximately thirteen thousand dollars (\$13,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 163) On or about October 3, 2013, Karen Thoben invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the

sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

164) On or about October 9, 2013, Joycelyn Lyles invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

165) On or about October 11, 2013, Don and Tondi McGuire invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

166) About and between October 16, 2013, and November 20, 2013, Dennis Bartolome invested a total of approximately thirty seven thousand dollars (\$37,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

167) On or about October 18, 2013, Giovanni Javier invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

168) On or about October 22, 2013, Gipson Lyles III invested a total of approximately of forty nine thousand dollars (\$49,000.00) in two separate transactions. In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 169) On or about October 25, 2013, Florinda Polendey invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 170) On or about November 6, 2013, Eugene Banez invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 171) On or about November 12, and November 18, 2013, The Friedl Trust, Chris Friedl Trustee, invested a total of approximately five hundred thousand dollars (\$500,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 172) On or about November 26, 2013, Constancio Soliven invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 173) On or about November 27, 2013, Lucila Tiongson invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 174) On or about January 6, 2014, Arlene Moises invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 175) On or about January 9, 2014, Major Richardson invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 176) On or about January 15, 2014, Landus Burroughs invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 177) On or about January 29, 2014, Juan Macias invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 178) On or about February 3, 2014, Emma Reyes invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 179) About and between February 5, 2014, and March 26, 2015, Lynne Hermoso invested a total of approximately seventy five thousand dollars (\$75,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 180) About and between February 6, 2014, and April 30, 2014, Gerald Raver invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 181) On or about February 14, 2014, Dzung Kim Hoang invested a total of approximately seventy four thousand dollars (\$74,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 182) On or about and February 14, 2014, Hung Luong invested a total of approximately seventy one thousand dollars (\$71,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 183) On or about February 18, 2014, Frederic Vanta invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 184) On or about February 26, 2014, Alex Cacho invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 185) On or about March 18, 2014, Lora Mercurio invested a total of approximately forty one thousand dollars (\$41,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 186) On or about March 18, 2014, Mark Mercurio invested a total of approximately nine thousand dollars (\$9,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 187) About and between March 20, 2014 and March 26, 2014, Joseph D'Quilope invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 188) On or about March 21, 2014, Robert Sly and Mary Beth Knight invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 189) On or about March 24, 2014, Mary Beth Knight-Tedeschi invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 190) About and between April 8, 2014, and July 15, 2015 Marvin White invested a total of approximately two hundred fifty thousand dollars (\$250,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 191) About and between April 18, 2014, and November 10, 2014, David Watkins invested a total of approximately forty two thousand five hundred dollars (\$42,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 192) On or about April 29, 2014, Marnie Sablan invested a total of approximately twenty seven thousand five hundred dollars (\$27,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts

as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 193) On or about May 1, 2014, Roger Gold invested a total of approximately forty four thousand dollars (\$44,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 194) About and between May 21, 2014, and June 12, 2014, Timothy Lambros invested a total of approximately forty one thousand dollars (\$41,000.00). In connection with the sale of this security to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 195) About and between May 22, 2014, and September 10, 2014, Sharon Simms invested a total of approximately fifty nine thousand five hundred dollars (\$59,500.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 196) On or about June 4, 2014, James Jorgensen invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 197) On or about June 4, 2014, Angel Tran invested a total of approximately twenty five thousand dollars (\$25,000.00) in two separate transactions. In connection with the sale of these securities to this investor, SCHNORENBURG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 198) On or about June 13, 2014, Dale Baehr invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of

these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

199) About and between June 26, 2014, and July 14, 2014, Darlene Orr invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

200) About and between July 7, 2014, and August 27, 2014, Ida Baligod invested a total of approximately forty eight thousand dollars (\$48,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

201) On or about July 9, 2014, Randall Lee invested a total of approximately thirty thousand dollars (\$30,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

202) On or about July 23, 2014, Chau Van Doan and Kim Doan invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

203) On or about July 24, 2014, Florence Baliling invested a total of approximately forty thousand dollars (\$40,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 204) On or about July 24, 2014, Nata Clinkinbeard invested a total of approximately forty six thousand dollars (\$46,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 205) On or about July 28, 2014, Charlain Bland invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 206) On or about August 12, 2014, Victoria Hamilton invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 207) About and between February 25, 2014 and August 13, 2014, Kimahn Nguyen and Hung Vu invested a total of approximately one hundred fifty thousand dollars (\$150,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 208) On or about August 14, 2014, Leroy Brown invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 209) On or about August 20, 2014, Lenie Abella invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 210) On or about August 28, 2014, Dale Dicks invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 211) On or about September 3, 2014, Catherine Mendoza and Maria Preston invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 212) About and between September 17, 2014, and January 29, 2015, Ramon Valera invested a total of approximately thirty five thousand dollars (\$35,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 213) On or about September 19, 2014, Raul Galang invested a total of approximately forty nine thousand five hundred dollars (\$49,500.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 214) On or about September 19, 2014, John Sonico invested a total of approximately fifty five thousand dollars (\$55,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 215) On or about September 23, 2014, Jayaprakash Jayaraj invested a total of approximately fifty thousand dollars (\$50,000.00) in two separate transactions. In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 216) On or about October 1, 2014, Eva McQueen invested a total of approximately twenty thousand dollars (\$20,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 217) On or about October 10, 2014, Harvinder Singh invested a total of approximately seventy thousand dollars (\$70,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 218) On or about October 10, 2014, Sorivone Hadsabout invested a total of approximately forty nine thousand dollars (\$49,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 219) On or about November 10, 2014, Robert Baird invested a total of approximately thirty thousand dollars (\$30,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 220) On or about November 21, 2014, Cheryl Poole invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 221) On or about December 4, 2014, Sandra Davis invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described

in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 222) On or about December 4, 2014, Leonardo Francisco invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 223) About and between December 15, 2014, and April 17, 2015, Dennis Bach invested a total of approximately forty nine thousand five hundred dollars (\$49,500.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 224) On or about December 22, 2014, Shigeru Morikone Trust and Abraham Morikone invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 225) On or about January 6, 2015, Richard Truong Thien invested a total of approximately thirty five thousand dollars (\$35,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 226) About and between January 14, 2015, and July 23, 2015, Randy and Kim Getz invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 227) On or about January 20, 2015, Jeffery Steven Young invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 228) About and between January 25, 2015, and March 17, 2015, Donelyn Edwards-Dunn invested a total of approximately one hundred nine thousand eight hundred dollars (\$109,800.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 229) About and between January 28, and January 29, 2015, Benjamin Ng and Window of Heaven Mission invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 230) On or about February 2, 2015, Crystal Agoncillo invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 231) On or about February 2, 2015, Jenni Agoncillo invested a total of approximately ten thousand dollars (\$10,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 232) On or about February 24, 2015, Trang Pham invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 233) On or about February 27, 2015, Josie Pacheco invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 234) On or about March 20, 2015, Tom Chiu invested a total of approximately forty thousand dollars (\$40,000.00). In connection with the sale of these securities to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 235) On or about March 24, 2015, Orma Crocker invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 236) About and between March 24, 2015, and April 9, 2015, Rise Meyers invested a total of approximately one hundred thousand dollars (\$100,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 237) On or about March 25, 2015, Leland Eudy invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 238) About and between April 1, 2015, and April 30, 2015 Aurora Agoncillo invested a total of approximately seventy thousand dollars (\$70,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

- 239) On or about April 1, 2015, Willie Brown invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 240) On or about April 6, 2015, Daniel Heiskell invested a total of approximately nine thousand six hundred dollars (\$9,600.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 241) On or about April 7, 2015, Sheila Terry invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 242) On or about April 22, 2015, Rosita Velasco invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 243) On or about May 22, 2015, Kendall Fluharty invested a total of approximately thirty thousand dollars (\$30,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.
- 244) On or about July 15, 2015, Gloria Wiles invested a total of approximately fifty thousand dollars (\$50,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

245) On or about July 28, 2015 Machell and Michael B Jackson invested a total of approximately twenty five thousand dollars (\$25,000.00). In connection with the sale of this security to this investor, SCHNORENBERG made untrue statements of material fact, and failed to disclose material facts as described in the Narrative of Essential Facts, which is hereby incorporated by reference.

4. In connection with the sale of these securities to these investors, SCHNORENBERG engaged in a course of business which operated as a fraud, in part, by accepting investments for the businesses of KJS Marketing, Inc. and related entities. SCHNORENBERG failed to use the funds in the represented manner. SCHNORENBERG also failed to make the necessary disclosures at any time subsequent to the investments. The circumstances surrounding the sales, acts, practices and course of business engaged in by SCHNORENBERG, including the untrue statements of material fact and failure to disclose, are described in the narrative of Essential Facts, and the paragraphs following Counts One through Thirty Six, each of which are hereby incorporated by reference.

COUNT THIRTY EIGHT
(Theft over Twenty Thousand Dollars - F3)

During and between May 28, 2009, and June 5, 2013, with the last act in the series of acts committed on or about June 5, 2013, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG did unlawfully, feloniously and knowingly obtain or exercise control over a thing of value, to wit: MONEY, which was the property of investors in KJS Marketing, Inc. and related entities, by deception, and did knowingly use, conceal and abandon the money in such manner as to deprive the investors permanently of its use and benefit, and the value of said MONEY was more than twenty thousand dollars contrary to the form of the statute in such case made and provided, C.R.S. §18-4-401(1)(b) and (2)(d), (2012) (Class 3 Felony) and against the peace and dignity of the People of the State of Colorado, as described in the narrative of Essential Facts of this indictment, and the paragraphs following Counts One through Thirty Seven, each of which are hereby incorporated by reference.

COUNT THIRTY NINE
(Theft over One Million Dollars – F2)

During and between June 5, 2013, and July 28, 2015, with the last act in the series of acts committed on or about July 28, 2015, in and triable in the State of Colorado, KELLY JAMES SCHNORENBERG did unlawfully, feloniously and knowingly obtain or exercise control over a thing of value, to wit: MONEY, which was the property of investors in KJS Marketing, Inc. and related entities, by deception, and did knowingly use, conceal and abandon the money in such manner as to deprive the investors permanently of its use and benefit, and the value of said MONEY was more than twenty thousand dollars contrary to the form of the statute in such case made and provided, C.R.S. §18-4-401(1)(b) and (2)(j), (Class 2 Felony) and against the peace and dignity of the People of the State of Colorado, as described in the narrative of Essential Facts of this indictment, and the paragraphs following Counts One through Thirty Seven, each of which are hereby incorporated by reference.

DISTRICT COURT, CITY AND COUNTY OF
DENVER, COLORADO

1437 Bannock Street
Denver, CO 80202

PEOPLE OF THE STATE OF COLORADO,

Plaintiff,

v.

KELLY JAMES SCHNORENBURG, DOB:
3/30/1959

Defendant.

▲ COURT USE ONLY ▲

CYNTHIA H. COFFMAN, Attorney General
MICHAEL J. BELLIPANNI*
Senior Assistant Attorney General
1300 Broadway, 9th Floor
Denver, CO 80203
303-508-6698
Registration Number: 24421
*Counsel of Record

Case No.: 15CR0001
Div.: 259

NOTIFICATION UNDER C.R.S. §13-73-103


Pages 120 through 127 of the True Bills from the Grand Jury have purposely been omitted due to C.R.S. §13-73-103, which states that the identity of the State-wide Grand Jurors shall be deemed confidential. Pages 120 through 127 have the name and signatures of the Grand Jury Foreperson.

CYNTHIA H. COFFMAN
ATTORNEY GENERAL
STATE OF COLORADO



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

CYNTHIA H. COFFMAN
ATTORNEY GENERAL
STATE OF COLORADO



Sean Clifford, #28260
First Assistant Attorney General
Michael J. Bellipanni, #24421
Senior Assistant Attorney General
Criminal Justice Section

The 2015-2016 Colorado Statewide Grand Jury presents the within Indictment, and the same is hereby ORDERED FILED this 10th day of March, 2016.

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



Michael Martinez
Chief Judge