

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

UNITED STATES COURTS
SOUTHERN DISTRICT OF TEXAS
FILED

MAR 17 2000

Michael N. Milby, Clerk of Court

UNITED STATES OF AMERICA

v.

STEVEN C. ROBERTS

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CRIMINAL NUMBER H-00-

INDICTMENT

THE GRAND JURY CHARGES:

H 00-1401

COUNTS ONE THROUGH SEVEN

(Mail Fraud)

A. Introduction

At all times material to this indictment:

1. Defendant STEVEN C. ROBERTS, was a resident of The Woodlands, Texas.
2. Defendant, STEVEN C. ROBERTS, owned and controlled Funding Resource Group (FRG), Funding Resource Group Assets (FRG Assets), and Funding Resource Group Ministries (FRG Ministries).
3. Defendant STEVEN C. ROBERTS created FRG, FRG Assets and FRG Ministries to conduct financial and business transactions in connection with an investment program.
4. Defendant STEVEN C. ROBERTS operated FRG, FRG Assets and FRG Ministries from an office located at 4810 Panther Creek, Suite 102, The Woodlands, Texas.
5. Defendant STEVEN C. ROBERTS used account number 52308, which was styled "Steven C. Roberts, d/b/a Funding Resource Group"; account number 75481, which was styled "Steven C. Roberts, d/b/a FRG Assets"; and account number 75473, which was styled "Steven C. Roberts, d/b/a FRG Assets," all at Woodforest National Bank.

B. Scheme to Defraud

6. From on or about September, 1996, through on or about July, 1998, in the Houston Division of the Southern District of Texas, and elsewhere, defendant,

STEVEN C. ROBERTS

aided and abetted by persons known and unknown to the Grand Jury, knowingly devised and intended to devise a scheme and artifice to defraud individuals located in Texas, in other states and outside the United States, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, as more fully set forth below.

C. Manner and Means of the Scheme to Defraud

7. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS** would and did describe investment opportunities to individual investors located throughout the United States, both personally and through the use of investment advisors.

8. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS** would and did explain to investors, directly and indirectly through the use of investment advisors, the "Leveraged Asset Project Funding Program" or "183 Program" or similar investment involved the trading of loans or the ability to leverage or secure lines of credit involving the top 25 Western European Banks.

9. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS** would and did make false promises to investors, directly and indirectly through the use of investment advisors, about the profits and returns they would receive on their investments, the security of their principal and the specified investment vehicle, both personally and through written investment materials.

10. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS** would and did provide false information and "project funding/joint venture agreements" and other "joint venture agreements" investors, directly and indirectly through investment advisors, concerning the nature and working of the investment.

11. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS** would and did promise investors that the money was placed with FRG and pooled with other investor funds and then secured by a surety bond.

12. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS** would and did solicit and cause intermediate agents and brokers to solicit investors, to enter into "project funding/joint venture agreements" and similar documents, collect investors' monies, and forward the monies to defendant **STEVEN C. ROBERTS**, which he deposited into one or more bank accounts he controlled.

13. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS** would and did forward a portion of the funds collect to supposed traders who were making the investments.

14. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS** would and did retain funds he collected from investment advisors and investors and spent the funds on personal and business expenses unrelated to the investments.

15. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS** would and did return a portion of the monies received from investors, directly and indirectly through the investment advisors, to pay in whole or in part the returns promised to the investors.

16. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS**

would and did provided false information to investment advisors and investors concerning the reasons for not repaying principal and profits from the investments.

17. It was part of the scheme and artifice to defraud that defendant **STEVEN C. ROBERTS** would and did collect millions of dollars from investment advisors and investors in investments, cause millions of dollars to be returned to investment advisors and investors as alleged "profits" in the program, and cause thousands of dollars to be sent to bank accounts controlled by defendant **STEVEN C. ROBERTS**, who retained more than \$750,000 in investor funds for his personal use.

D. Execution of the Scheme and Artifice to Defraud

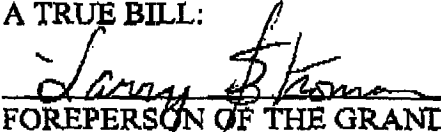
18. On or about each of the dates listed below, in the Houston Division of the Southern District of Texas, and elsewhere, defendant **STEVEN C. ROBERTS**, aided and abetted by others known and unknown to the Grand Jury, for the purposes of executing and attempting to execute the scheme and artifice to defraud described above, and obtaining money and property by false and fraudulent pretenses, representations and promises, knowingly placed in and caused to be delivered through the United States mail, according to the directions thereon, from Houston, Texas, and from The Woodlands, Texas, the items described below to the recipients named below:

COUNT	DATE	ADDRESSEE	CONTENTS
ONE	May 27, 1997	MICK LEWIS	Funding Resource Group letter with Statement of Returns and May return
TWO	June 30, 1997	MICK LEWIS	Funding Resource Group letter with Statement of Returns and Joint Venture Agreement and Agreement of Performance
THREE	May 5, 1997	EDWARD BELLOW	Funding Resource Group letter with Statement of Returns and April return

COUNT	DATE	ADDRESSEE	CONTENTS
FOUR	June 30, 1997	EDWARD BELLOW	Funding Resource Group letter with Statement of Returns and Joint Venture Agreement and Agreement of Performance
FIVE	April 3, 1997	FRANK HARRIGAN	Funding Resource Group letter with sheet showing legal identification of the trade
SIX	May 1, 1997	FRANK HARRIGAN	Funding Resource Group letter regarding the status of the trade
SEVEN	May 27, 1997	JOSEPH LACEY	Funding Resource Group letter with Joint Venture Agreement and Agreement of Performance

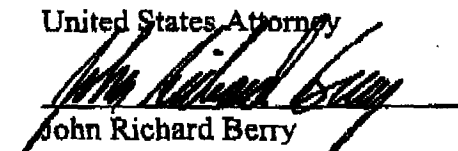
In violation of Title 18, United States Code, Sections 2 and 1341.

A TRUE BILL:


FOREPERSON OF THE GRAND JURY

MERVYN M. MOSBACKER
United States Attorney

By:


John Richard Berry
Assistant United States Attorney