

OUR FIRM FILE NUMBER:

Client: DEPT OF SECURITIES

County: Oklahoma

Case Number: CJ-2016-1678

OKLAHOMA DEPARTMENT OF SECURITIES -

Plaintiff(s)

vs

ROLAND L COWPERTHWAITTE - Defendant(s)

**FILED IN DISTRICT COURT
OKLAHOMA COUNTY**

APR - 1 2016

**TIM RHODES
COURT CLERK**
40

Date Served: 3/31/2016 4:37:00 PM

Served By: JOHN SHADID (PSS-2014-83)

County of Origin: Oklahoma

Proof of Service

Case Number: CJ-2016-1678

DOCUMENTS SERVED: I, being duly sworn, certify that I received the forgoing, to wit:

- *Summons
- *Notice of Hearing
- *Motion for Temporary Injunction

METHOD OF SERVICE:

And served the same according to the law in the following manner, to wit:

Personal Service by delivering a true copy of said process personally to ROLAND L COWPERTHWAITTE at 3713 COACHLIGHT DR, EDMOND, OK 73013-0000. Date and Time: 3/31/2016 4:37:00 PM

Other Information:

259788

Subscribed and sworn to before me this

_____ day of _____

_____ 2016

Notary Public

(SEAL)

Commission Exp.

Undersigned declares under penalty of perjury that the foregoing is true and correct.



Name of Server

APR 01 2016

(date)

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

MAR 31 2016

TIM RHODES
COURT CLERK

41

Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
Administrator,)
)
Plaintiff,)
)
v.)
)
Roland L. Cowperthwaite,)
)
Defendant.)

Case No.

CJ - 2016 - 1678

**PLAINTIFF'S MOTION FOR TEMPORARY INJUNCTION
AND SUPPORTING BRIEF**

Plaintiff, Oklahoma Department of Securities ex rel. Irving L. Faught, Administrator, ("**Department**"), moves this Court for the entry of a temporary injunction against Defendant, pursuant to Section 1-603 of the Oklahoma Uniform Securities Act of 2004 ("**Act**"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011). The Department incorporates herein by reference the Petition for Permanent Injunction and Other Relief filed contemporaneously with this motion. This motion is supported by the accompanying Affidavit of Carol Gruis that is attached as "Exhibit 1."

BACKGROUND

Defendant is an Oklahoma resident who has not been registered under the Act in any capacity. Gruis Aff. ¶ 7; Bohn Aff. ¶ 5; Guiles Aff. ¶ 4. Despite his lack of registration as an investment adviser under the Act, Defendant managed, for compensation, the securities accounts of at least two Oklahoma residents during the

years 2013 through 2015 (“Investors”). Bohn Aff. ¶¶ 2, 7-13; Guiles Aff. ¶¶ 2, 6-14. Defendant determined which securities to buy and sell in these accounts and when to buy and sell them. Bohn Aff. ¶ 10; Guiles Aff. ¶ 7. Defendant controlled these accounts online using the Investors’ login information. Bohn Aff. ¶ 9; Guiles Aff. ¶ 7. For his services, Defendant was paid a percentage of the profits earned in the accounts. Bohn Aff. ¶¶ 9, 11; Guiles Aff. ¶¶ 6, 9.

Before taking control of the Investors’ accounts, Defendant failed to tell the Investors that: 1) he was barred by the securities industry’s self-regulatory organization from association with any member of the organization, in 1984, and 2) he pled guilty to two felony counts of Obtaining Money by False Pretenses in the District Court in and for Oklahoma County, in 1989. Bohn Aff. ¶ 14; Guiles Aff. ¶ 15; *see also* Gruis. Aff. ¶¶ 9, 13. Instead, Defendant talked extensively to the Investors about having worked for a brokerage firm for many years and indicated he was very successful at trading. Bohn Aff. ¶ 6; Guiles Aff. ¶ 5. The Investors’ accounts suffered trading losses while managed by Defendant. Gruis. Aff. ¶¶ 11-12.

VIOLATIONS OF THE ACT

Through the conduct set forth above, Defendant transacted business in this state as an unregistered investment adviser in violation of Section 1-403 of the Act and omitted to state material facts in violation of Section 1-502 of the Act.

Section 1-403

Section 1-403 of the Act provides that it is unlawful for a person to transact business in Oklahoma as an investment adviser unless the person is registered under the Act as an investment adviser or is exempt from registration. Okla. Stat. tit.

71, § 1-403. The meaning of the term “investment adviser” includes, but is not limited to, “a person that, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or the advisability of investing in, purchasing, or selling securities.” *Id.* § 1-102(17).

In determining whether a seller of securities acted as a “broker-dealer” under Oklahoma’s securities laws, the Oklahoma Supreme Court found that the phrase “engaged in the business” connotes a certain regularity of activity and means “the performance of acts which occupy the time, attention, and labor of persons for the purpose of livelihood, profit or pleasure.” *Musson v. Rice*, 1987 OK 66, 739 P.2d 1004, 1005.

There are exclusions to the definition of “investment adviser.” *Id.* § 1-102(17)(a)-(f). In a civil action under the Act, a person claiming an exemption, exception, preemption, or exclusion has the burden to prove the applicability of the exemption, exception, preemption, or exclusion. *Id.* § 1-503(A); *see also Musson*, 739 P.2d at 1005. Further, stocks and options are securities. *Id.* § 1-102(32).

Using his discretion, Defendant traded stocks and options in the brokerage accounts of two Oklahoma residents on many occasions during an approximate two-year time period. In doing so, Defendant engaged in the business of advising these individuals as to the value of securities and the advisability of purchasing and selling securities. These individuals paid Defendant over \$4,000 for his advice. *Bohn Aff.* ¶ 11; *Guiles Aff.* ¶ 9. Defendant was not registered under the Act in any capacity at the time of this conduct. Defendant’s conduct violated Section 1-403 of the Act.

Section 1-502

Section 1-502 of the Act provides that it is unlawful for an investment adviser to “omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it is made, not misleading[.]” Okla. Stat. tit. 71, § 1-502(A). An omitted fact is material if there is a substantial likelihood that a reasonable investor would have considered this information important in making an investment decision. See *SEC v. Steadman*, 967 F.2d 636, 643 (D.C. Cir. 1992) (relying on *TSC Indus. v. Northway, Inc.*, 426 U.S. 438, 449 (1976), and *Basic, Inc. v. Levinson*, 485 U.S. 224, 231-32 (1988)).

Before Defendant began providing investment advice to the Investors for compensation, Defendant omitted to tell the Investors that he was barred from association with any member of the securities industry’s self-regulatory organization and that he pled guilty to two felony counts of Obtaining Money by False Pretenses. These facts are material because there is a substantial likelihood that a reasonable investor would consider this information important in deciding whether to allow Defendant to manage his account. These facts are also necessary in order to make Defendant’s statements about his successful trading record not misleading.

Defendant has engaged in violations of Sections 1-403 and 1-502 of the Act. Unless enjoined, Defendant may continue to violate the Act.

AUTHORITY

A temporary injunction may be granted on the grounds set forth in title 12, section 1382 of the Oklahoma Statutes or “in any case where it is specially authorized by statute.” Okla. Stat. tit. 12, § 1382. Section 1-603 of the Act

authorizes the Administrator of the Department to seek a temporary injunction when he believes that the person “has engaged, is engaging, or is about to engage in an act, practice, or course of business constituting a violation of [the Act.]” Okla. Stat. tit. 71, § 1-603(A). The Court may issue a temporary injunction under Section 1-603 “on a proper showing.” *Id.* § 1-603(B).

Comments to the Uniform Securities Act of 2002, on which the Act is based, suggest the “proper showing” required for relief under Section 1-603 of the Act is the same as that required under similar provisions of the federal securities laws. Unif. Sec. Act §603 cmt. 3 (2002) (noting that “the term ‘upon a proper showing’ has a settled meaning in the federal securities laws”).

The proper showing required for such injunction relief under federal securities laws has been defined as “a justifiable basis for believing...that the defendants were engaged in violations of the statutes involved.” *SEC v. Gen. Refractories Co.*, 400 F.Supp. 1248, 1254 (D.C. 1975). This standard differs from that applied in private actions for injunctive relief, and no showing of irreparable harm is required. *Id.* (citing *SEC v. Mgmt. Dynamics, Inc.*, 515 F.2d 801, 808 (2nd Cir. 1975)); see also *Okla. Sec. Comm’n ex rel. Day v. CFR Int’l, Inc.*, 622 P.2d 293, 295 (Okla. Civ. App. 1980) (discussed below).

Under federal securities laws, once this proper showing for injunctive relief has been made, the SEC must establish “a reasonable likelihood of a future violation in order to obtain relief.” *SEC v. Holschuh*, 694 F.2d 130, 144 (7th Cir. 1982). Unlike the federal statute, the language of Section 1-603(A) of the Act implies that an injunction can be ordered on the basis of past violations alone in that it authorizes

the Administrator to seek a temporary injunction if he believes a person “**has engaged**, is engaged, or is about to engage” in a violation of the Act (emphasis added). But, if this Court finds the Department must establish “a reasonable likelihood of a future violation” to obtain injunctive relief, past violations are “highly suggestive [of] the likelihood of future violations.” *CFR Int'l, Inc.*, 622 P.2d at 295 (quoting *Mgmt. Dynamics, Inc.*, 515 F.2d at 807).

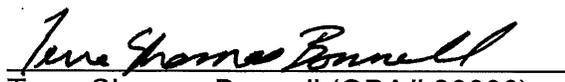
The Oklahoma Court of Appeals has found the unrefuted proof of a person having engaged in violations of Oklahoma’s securities laws, in the nature of the offer and sale of unregistered securities by unregistered agents, to be all that is necessary for the issuance of a temporary injunction. *CFR Int'l, Inc.*, 622 P.2d at 296.

As described above and in the Petition, the Department has a justifiable basis for believing that Defendants have violated the registration and fraud provisions of the Act. Such past violations are highly suggestive of a reasonable likelihood of future violations. A temporary injunction is therefore appropriate.

CONCLUSION

The Department has shown by affidavit that Defendant has transacted business in this state as an unregistered investment adviser in violation of Section 1-403 of the Act and omitted to state material facts in violation of Section 1-502 of the Act. As such, the issuance of a temporary injunction is authorized under Section 1-603 of the Act. The Department requests that this Court temporarily enjoin Defendant from transacting business in this state as an investment adviser until it enters a judgment in this matter.

Respectfully,


Terra Shamas Bonnell (OBA# 20838)
Oklahoma Department of Securities
204 North Robinson Avenue, Suite 400
Oklahoma City, OK 73102-7001
(405) 280-7715; (405) 280-7742 (fax)
tbonnell@securities.ok.gov
Attorney for Plaintiff

Defendant:

Roland L. Cowperthwaite
3713 Coachlight Drive
Edmond, OK 73013
(405) 341-5547

Certificate of Mailing

I certify that on the 31st day of March, 2016, a copy of this Motion was
mailed to the following:

Roland L. Cowperthwaite
3713 Coachlight Drive
Edmond, OK 73013


Terra Shamas Bonnell

AFFIDAVIT OF CAROL GRUIS

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA) ss:

Carol Gruis, of lawful age, upon oath states as follows:

1. I am the Director of Examinations & Licensing for the Oklahoma Department of Securities. I have held this position for over 19 years.
2. Through the performance of my duties, I am familiar with, and regularly access, the registration records of the Department pertaining to registered securities professionals including, but not limited to, those records maintained in the Central Registration Depository ("CRD") and the Investment Adviser Registration Depository ("IARD").
3. CRD is the central electronic licensing and registration system for broker-dealers and their associated persons.
4. IARD is the central electronic filing system that collects and maintains registration, reporting and disclosure information for investment advisers and their associated persons.
5. I have conducted a diligent search of the registration files of the Department pertaining to current and past registered investment advisers, broker-dealers, investment adviser representatives, broker-dealer agents, and issuer agents.
6. I have also conducted a diligent search of CRD and IARD.
7. Nowhere within such registrations files of the Department, CRD, or IARD did I find a record of registration under the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 to 1-701 (2011), for Roland Lynn Cowperthwaite.
8. If Mr. Cowperthwaite had ever been registered under the Act, there would be a record of registration in the Department's files, CRD and/or IARD.
9. CRD did show that Mr. Cowperthwaite was barred in 1984 by NASD (now known as "FINRA"), a self-regulatory organization for the U.S. securities industry.



10. I have also reviewed the account statements for the account of Arthur Bohn, account number ending in 3181, and the account of Janice Guiles, account number ending in 9564, at the broker-dealer optionsXpress.

11. Stocks and options, but primarily options, were traded in Mr. Bohn's account during the time period September 1, 2013 through August 31, 2014. One stock position was maintained in the account after that time. The account suffered trading losses.

12. Stocks and options, but primarily options, were traded in Ms. Guiles' account during the time period September 1, 2013 through March 31, 2015. The account suffered trading losses.

13. True and accurate copies of the following items are attached to this affidavit:

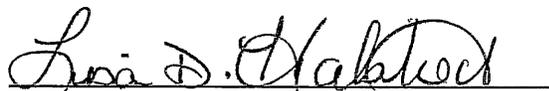
- a. a CRD record showing that Mr. Cowperthwaite was barred by NASD;
- b. a certified copy of a Judgment and Sentence Suspended on Plea of Guilty entered against Mr. Cowperthwaite on October 2, 1989;
- c. Affidavit of Arthur Bohn; and
- d. Affidavit of Janice R. Guiles.



CAROL GRUIS
Director of Examinations & Licensing
Oklahoma Department of Securities
204 North Robinson Avenue, Suite 400
Oklahoma City, OK 73102

Subscribed and sworn to before me this 4 day of March, 2016, by Carol Gruis.

(SEAL)


Notary Public

Legacy Disclosure Incident Details

Individual CRD#: 851406

Individual Name: COWPERTHWAITE, ROLAND L

Incident Details - #-3	
Incident Sequence	Details
1	<p>COMP #KC-286, FILED 6/13/83, DIST. #4, ALLEGING VIOLATIONS OF ARTICLE III, SECTION 1 AND ARTICLE IV, SECTION 5 OF THE RULES OF FAIR PRACTICE IN THAT RESPONDENT FAILED TO COMPLY WITH FORMAL WRITTEN REQUESTS FOR INFORMATION RELATIVE TO HIS NOTICE OF TERMINATION FROM FITZGERALD, DEARMAN & ROBERTS, INC.</p> <p>****AMENDED COMPLAINT FILED 10/31/83. ***AMENDED COMPLAINT FILED 1/25/84, COWPERTHWAITE FAILED TO RESPOND TO THE ASSOCIATION'S FORMAL WRITTEN REQUESTS FOR INFORMATION REGARDING A CUSTOMER COMPLAINT RECEIVED BY THE ASSOCIATION. ***4/24/84, DECISION RENDERED WHEREIN COWPERTHWAITE IS CENSURED, BARRED FROM ASSOCIATION WITH ANY MEMBER OF THE ASSOCIATION IN ANY CAPACITY PROVIDED THAT SHOULD HE SUPPLY THE INFORMATION REQUESTED, HE MAY</p>
2	<p>MAKE APPLICATION TO THE COMMITTEE TO HAVE THESE SANCTIONS MODIFIED AND IS ASSESSED COSTS OF \$98.20. IF FURTHER ACTION, DECISION IS FINAL 6/7/84, ***7/84, FC# 8777, UNCOLLECTIBLE.</p>

1 0 4 0 0
THE STATE OF OKLAHOMA
OKLAHOMA COUNTY

SS.

DIS. NO. 11-28-86
OKLAHOMA COUNTY, OK
-5 AM 7:35

In the District of the Seventh Judicial District of the State of Oklahoma,
Sitting in and for Oklahoma County, Oklahoma.

THE STATE OF OKLAHOMA,

Plaintiff,

- vs -

No. CRF-86-5207

ROLAND LYNN COWPERTHWAITTE
11-28-46

Defendant.

JUDGMENT AND SENTENCE SUSPENDED ON PLEA OF GUILTY

Now, on this 2nd day of OCTOBER, 1989, the same being a juridical day of said court, and the time duly appointed for judgment in the above-entitled cause, and said cause coming on for judgment, and the defendant ROLAND LYNN COWPERTHWAITTE being personally present in open court, and being duly represented at all appearances before the court by h is attorney of record, RAY FULP JR and having been legally charged with the offense of

COUNT 1 AND 2: OBTAINING MONEY BY FALSE PRETENSES

and having been duly informed of the nature of the charge and having been duly arraigned thereon, and having duly and properly entered h is plea of guilty to the crime of

COUNT 1 AND 2: OBTAINING MONEY BY FALSE PRETENSES

after having been duly advised of h is rights and the effect of such plea; and it appearing to the court that said defendant is of the age of 42 years; and the defendant having been asked by the court whether he has any legal cause to show why judgment and sentence should not be pronounced against him and he stating no sufficient cause why judgment and sentence should not be pronounced against the defendant, and none appearing to the court, it is the judgment of the court that said defendant is guilty of the crime of

COUNT 1 AND 2: OBTAINING MONEY BY FALSE PRETENSES

It is Therefore, Ordered, Adjudged and Decreed by the Court that ROLAND LYNN COWPERTHWAITTE

is sentenced to a term of SEVEN (7) YEARS EACH COUNT/ YEARS under the direction and control of the Department of Corrections of the State of Oklahoma; and said defendant is committed to the said Department of Corrections at the Oklahoma State Penitentiary at McAlester, Oklahoma, pursuant to the Oklahoma Corrections Act of 1967 and pursuant to the rules of said Department, for the crime of

COUNT 1 AND 2: OBTAINING MONEY BY FALSE PRETENSES

said term of sentence to begin at and from the delivery of the defendant to the Warden of the State Penitentiary at McAlester, Oklahoma; and that said defendant pay the cost of this prosecution, taxed at \$ 172.00, for which judgment is hereby rendered against the defendant; and thereupon the defendant is by the court notified of h is right of appeal.

It is further Ordered, Adjudged and Decreed by the Court that this judgment and sentence shall be and is suspended pursuant to the provisions of the Oklahoma Corrections Act of 1967, and pursuant to the rules of the Department of Corrections of the State of Oklahoma, provided however the defendant shall pay the costs of this action. (COURT COST AND \$100.00 VICTIM COMPENSATION FUND TO BE PAID ON OR BEFORE 11-2-89.)

(Seal)

Attest:

TOM PETUSKEY,

Court Clerk

By

Deputy Court Clerk

Clinton D. Dennis
CLINTON D. DENNIS,
District Judge
(COUNTS ARE TO RUN CONCURRENTLY WITH EACH OTHER.)

THE STATE OF OKLAHOMA }
OKLAHOMA COUNTY } SS.

I, _____, Court Clerk of the District Court of the Seventh Judicial District of the State of Oklahoma, sitting in and for Oklahoma County, Oklahoma, do hereby certify the above and foregoing to be true, correct, full and complete copy of the original judgment and sentence in the case of The State of Oklahoma —vs— _____ as the same appears of record in my office.

WITNESS my hand and official seal this _____ day of _____, 19____

(Seal)

Court Clerk

By _____
Deputy Court Clerk

CERTIFIED COPY
AS FILED OF RECORD
IN DISTRICT COURT

OCT 02 2015

TIM RHODES Court Clerk
Oklahoma County
Tim Rhodes

AFFIDAVIT OF ARTHUR BOHN

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA) ss:

I, Arthur Bohn, also known as Art Bohn, of lawful age, upon oath states as follows:

1. I am making this affidavit voluntarily, and I have personal knowledge of the facts and circumstances described herein.
2. I have been a resident of Oklahoma City, Oklahoma, for over forty (40) years.
3. I met Roland Cowperthwaite ("Roland") at a local bar called "By George" in or around the year 2011. Roland is also known as "Rolly." Roland and I usually saw each other at that bar three or four times a week.
4. At some point in time, my friend, Janice Guiles ("Jan"), and I started seeing Roland at a local bar called "Cookies."
5. I introduced Roland and Jan to each other. Over time, Jan and I became close friends with Roland and his wife, who lived together in Edmond, Oklahoma.
6. During my friendship with Roland, he talked extensively about having worked for a brokerage firm. Roland claimed to have many years of experience as a stock broker and indicated he was very successful at trading.
7. After I was severely injured in 2013 and unable to work, I needed to move my 401(k) account into an IRA. Roland agreed to help me do this.
8. With Roland's guidance, I opened a Rollover IRA at OptionsXpress in September 2013 ("my IRA").
9. Roland and I agreed that he would manage my IRA for compensation. Roland was to receive 10% of the profits in my IRA on a quarterly basis. I gave Roland online access to my IRA.
10. After my IRA was funded with \$39,841.29 from my 401(k) in September 2013, Roland started trading options and stocks in my IRA. Roland made all of the trading decisions and placed all of the trades in my IRA.

11. I paid Roland fees totaling \$1,425 by a check dated October 17, 2013, in the amount of \$351 and a check dated January 15, 2014, in the amount of \$1,074. True and correct copies of those checks are attached hereto as "Exhibit A." I gave those checks to Roland in Oklahoma.

12. During the years 2013 and 2014, I made withdrawals, totaling \$23,744, from my IRA to pay my living expenses and Roland's fees.

13. Roland has not placed trades in my account since July 2014, when the value of my IRA fell below \$1,000. As of March 31, 2015, the market value of my IRA was \$419.40.

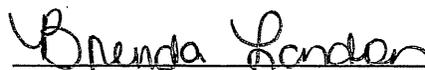
14. Roland never told me that he was barred from association with a member of the NASD or that he was convicted of obtaining money under false pretenses. This information would have been important to me in deciding whether to allow Roland to manage my investments.

15. Jan also allowed Roland to manage her investments for compensation.

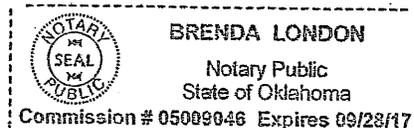


ARTHUR BOHN, AFFIANT
900 NW 14th Street
Oklahoma City, OK 73106
(405) 517-6736

Subscribed and sworn to before me this 28th day of January, 2016, by Arthur Bohn.

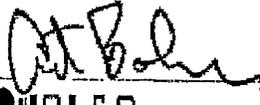

Notary Public

My Commission No.:
My Commission Expires:
(SEAL)





Capture Date: 10/17/2013 Sequence #: 1382111962

ART BOHN 900 NW 14TH STREET OKLAHOMA CITY, OK 73108		99-84 1030 659368848	460
		DATE <u>10-17-13</u>	
PAY TO THE ORDER OF <u>Rolly Cowperthwaite</u>		\$ <u>351.00</u>	
<u>three hundred fiftyone & 12/100</u>		DOLLARS <input type="checkbox"/> <small>Security Features</small>	
CHASE <small>JPMorgan Chase Bank, N.A. Oklahoma City, Oklahoma 73125 www.Chase.com</small>			
MEMO <u>fin. serv.</u>			
⑆ 103000648⑆		⑆ 0460	

The signature line is a blank line. Do not write on this line. If you need to add a signature, use the back of the check.

CHASE

FEDERAL RESERVE BOARD OF GOVERNORS

DO NOT WRITE, STAMP OR SIGN ABOVE THIS LINE.

RESERVED FOR FINANCIAL INSTITUTION USE

ENDORSE



Electronic Endorsements
 Date 10/17/2013 Sequence 1382111962 Bank # 111000025 Endrs Type -1 TRN Y RRC Y Bank Name BANK OF AMERICA, NA
 No Payee Endorsements Found

EXHIBIT
 A



Capture Date: 01/17/2014 Sequence #: 2112460713

ART BOHN 900 NW 14TH STREET OKLAHOMA CITY, OK 73106	39-64 1000 659968848	463
PAY TO THE ORDER OF <u>Rolly Cowperthwaite</u>		\$ 1074.00
<u>one thousand seventy four & 10/100</u>		DOLLARS
CHASE <small>JPMorgan Chase Bank, N.A. Oklahoma City, Oklahoma 73125 www.Chase.com</small>		
FIN. S. <i>ES. Thanks!!</i>		
⑆103000648⑆		⑆0483

Electronic Endorsements

Date	Sequence	Bank #	Endrs Type	TRN	RRC	Bank Name
01/17/2014	2112460713	111000025	-1	Y		BANK OF AMERICA, NA

No Payee Endorsements Found

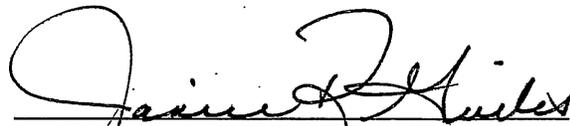
AFFIDAVIT OF JANICE R. GUILS

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA) ss:

I, Janice R. Guiles, of lawful age, upon oath states as follows:

1. I am making this affidavit voluntarily, and I have personal knowledge of the facts and circumstances described herein.
2. I have been a resident of Oklahoma City, Oklahoma, for over forty (40) years.
3. During the year 2013, my friend Arthur Bohn ("Art") introduced me to Roland Cowperthwaite ("Roland") at a local bar called "Cookies." Roland is also known as "Rolly."
4. Art and I often visited with Roland on weekdays at Cookies. Over time, Art and I became close friends with Roland and his wife, who lived in Edmond, Oklahoma.
5. During my friendship with Roland, he talked about having worked for a brokerage firm. Roland claimed to have many years of experience as a stock broker and indicated he was very successful at trading.
6. In 2013, Roland agreed to help me with my investments for compensation. He told me he could increase the value of my investments by \$150,000. I agreed to pay Roland a percentage of the gains in my account for his services. Our agreement was not in writing.
7. In September 2013, Roland opened an account in my name at OptionsXpress through the Internet (my "brokerage account"). After I funded my brokerage account with \$61,500, Roland used my login information and password to manage my brokerage account online. Roland traded options and stocks in my brokerage account.
8. In December 2013, Roland also started transferring money from my brokerage account to trade futures in a related account in my name at OptionsXpress (my "futures account").
9. Per our agreement, I paid Roland fees totaling \$3,167 by a check dated October 17, 2013, in the amount of \$590 and a check dated January 15, 2014, in the amount of \$2,577. True and correct copies of those checks are attached hereto as "Exhibit A." I gave those checks to Roland while in Oklahoma.

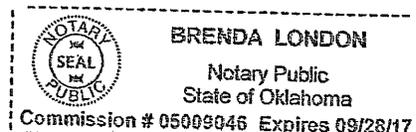
10. In March 2014, I deposited another \$6,000 into my brokerage account.
11. The value of my brokerage account and my futures account decreased over time due primarily to trading losses, the payment of fees to Roland, and a \$15,000 withdrawal I made. As of February 28, 2015, the market value of my accounts was \$19,573.56.
12. Roland prepared my tax return for the year 2013.
13. In or before March 2015, I hired an accountant to review my 2013 tax return and to prepare and file my return for 2014. The accountant expressed concerns about Roland managing my accounts and encouraged me to file a complaint with the Oklahoma Department of Securities.
14. In March 2015, after learning of my accountant's concerns relating to my accounts, I changed the Internet password for my accounts thereby denying Roland further access to them. As of March 31, 2015, the total market value of my accounts was \$10,627.92.
15. Roland never told me that he was barred from association with a member of the NASD. Roland did tell me that he spent time in prison, but he did not tell me that until after he had managed my accounts for awhile. This information would have been important to me in deciding whether to allow Roland to manage my investments.
16. Art also allowed Roland to manage his investments for compensation.


JANICE R. GUILLES, AFFIANT
900 NW 14th Street
Oklahoma City, OK 73106
(405) 249-4894

Subscribed and sworn to before me this 28th day of January, 2016, by Janice R. Guiles.


Notary Public

My Commission No.:
My Commission Expires:
(SEAL)





Capture Date: 10/17/2013 Sequence #: 1382111961

JANICE R GUILS
900 NW 14TH ST.
OKLAHOMA CITY, OK 73106

88-368/1030
841138688

176

DATE 10-17-13

PAY TO Rally Co-partners \$ 500.00
THE ORDER OF Five hundred and 00/100
Five hundred and 00/100 DOLLARS

FIRST
Commercial Bank
(405) 844-0110
P.O. Box 5450
Edmond, OK 73083

MEMO in our

Janice R Guils

⑆ 103003687⑆ [REDACTED] ⑆ 0176

SECURITY ONLY

Security Features:
MicroPrint Line
Chemically Sensitive Paper
Security Screen
Benefits of document alteration:
• No Small type in fine appears as dotted line when photocopied
• Stains or spots may appear with chemical alteration
• Absence of "Original Document" verbiage on back of check

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
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ENDORSE HERE

Electronic Endorsements
Date 10/17/2013 Sequence 1382111961
No Payee Endorsements Found

Bank # 111000025 Endrs Type -1 TRN Y RRC. Bank Name BANK OF AMERICA, NA

EXHIBIT
A



Capture Date: 01/17/2014 Sequence #: 2112460726

JANICE R GUILS
900 NW 14TH ST.
OKLAHOMA CITY, OK 73106

86-368/1030
641135655

277

DATE 1-15-14

PAY TO THE ORDER OF

Roland Corporation \$ 2577.00
Two thousand five hundred and seventy seven and 00/100 DOLLARS



(405) 844-0110
P.O. Box 5450
Edmond, OK 73063

MEMO

⑆103003687⑆



Janice R Guils 0277

DO NOT WRITE IN THESE SPACES

26/13

Electronic Endorsements

Date	Sequence	Bank #	Endrs Type	TRN	RRC	Bank Name
01/17/2014	2112460726	111000025	-1	Y		BANK OF AMERICA, NA

No Payee Endorsements Found