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To Whom It May Concern:

I am a local regularly practicing criminal defense attorney in Clark County, Nevada. Mr. Larry Stockett came to me, adamant that he had been wrongfully convicted, and wanted me to review his records and write a letter discussing my findings. He provided boxes of documents, and I have had the opportunity to review a great number of those documents including transcripts, contracts and letters of intent. I have not been able to review everything because of the time constraints and complexity of the case, but the following is based on what I have read and my conversations with Mr. Stockett.

This letter seeks to explain the circumstances that lead to Mr. Stockett being convicted and provide the reader with a fuller understanding of the case and its weaknesses.

As background information, Mr. Larry Stockett owned and operated a number of publicly traded companies in the late 1990s and early 2000s. In the course of managing these businesses, Mr. Stockett was accused of wrongdoing by the United States government. Mr. Stockett, then and to this day, professed his innocence, fought the United States, and lost. He was sentenced to prison and is currently serving out his three years of supervised release.

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Many would consider a criminal conviction to be definitive proof that a crime was committed and that the person convicted was in truth and in fact guilty. However, I can tell you from personal experience and from years of practicing criminal law - the system is not perfect, not even close. Prosecutors are able to exercise the weight of their respective sovereign government to secure a conviction through a thorough investigation and practically unlimited resources. A word to the wise: stay out of the government's crosshairs because once they set their sights on you, they will eventually sink their teeth into you.

In Mr. Stockett's case, the SEC initiated a civil investigation into two of his businesses, High Tech and U.S. Cement, while simultaneously and in a parallel proceeding, the United States government used the criminal process to obtain search warrants and evidence. Thus, the SEC was provided with the fruits of a parallel criminal investigation and search warrants, in order to ask Mr. Stockett about those documents in the SEC ordered civil depositions. Nonetheless, Mr. Stockett answered all of their questions and had nothing to hide.

The essence of the charge was twofold: Mr. Stockett, thorough U.S. cement and High Tech, 1) through misleading, false press releases, pumped up the price of the publicly traded High Tech stock so that he could sell it at an artificially high price and thus defraud honest investors of their money, 2) sought and secured two loans for a total

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of \$700,000.00 from Mr. and Mrs. Weins for U.S. Cement in order to purchase cement and a warehouse, but that loan was obtained through deception and fraud. True, Mr. Stockett was convicted of these allegations, but the way and manner his conviction was secured should give us pause.

Mr. Stockett's business plan for U.S. Cement was simple - buy cement abroad and sell it domestically at a profit. To that end, Mr. Stockett secured a financing deal with a foreign-based company, Inter Oil Gulf (IOG), for \$20 million dollars secured by 25 million shares of High Tech. After the deal was consummated, IOG sent out a press release about the deal and Mr. Stockett rereleased that in the United States.

Everything was going as planned and Mr. Stockett was on his way to executing his business plan for U.S. Cement and High Tech. Then things went sideways. IOG, in violation of the agreement with Mr. Stockett, sold the stock and caused the price to plummet. The SEC began to investigate Mr. Stockett and to Mr. Stockett's credit, he fully cooperated with all of their requests and provided them all of his documentation. While this investigation was ongoing, the Weins became interested in Mr. Stockett's business ventures.

Mr. Stockett and Thorston Koster were having drinks in Las Vegas, Nevada, talking about business when they were approached by Mr. and Mrs. Weins. Mr. Stockett was still

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working on his startup company, U.S. Cement, trying to secure financing so that cement could be bought overseas and sold domestically at a large profit using a new delivery technology and additives like basalt. This casual meeting initiated by the Weins' turned into a negotiation for the terms of a personal loan from the Weins in exchange for a number of guarantees and collateral. In the end, the Weins' loaned Mr. Stockett \$500,000 in exchange for a promissory note, interest, 5 million shares of High Tech as collateral and a loan origination fee of 500,000 shares of Mr. Stockett's stock in High Tech. At the time, High Tech was trading at \$.1 per share. Mr. Stockett performed and satisfied all of the terms of the promissory note up and until the time he was prosecuted by the United States government. The Weins were aware of the SEC investigation but were undeterred.

The Weins wired the money into Mr. Stockett's personal bank account and Mr. Stockett drew a salary, bought a house and a boat because he had been working very hard and had paid himself very little for a number of years. This was perhaps a mistake, but it was not in violation of the terms of the promissory note and Mr. Stockett had no reason to believe that he had done anything wrong. Further, Mr. Stockett let the Weins know what he was doing with the money and gave them a right to place a lien on the property he bought. Mr. Stockett and the President of U.S. Cement, John Oswald, also bought \$100,000 worth of cement to get the company started. However, there was a problem: a cement load that

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large required a large warehouse to store it and lacking that meant paying rent to the cement provider as it sat in their warehouse, waiting to be shipped out.

To solve this problem, Mr. Stockett began negotiating to buy a warehouse in Las Vegas, Nevada. That negotiation resulted in Mr. Stockett purchasing an option to buy the warehouse, subject to approved financing, for \$200,000. The money for the option was provided to Mr. Stockett in the form of another personal from the Weins. Unfortunately, the financing deal for the warehouse fell through and Mr. Stockett was unable to exercise his option to purchase the warehouse, thus, losing the \$200,000 that the Weins had loaned to him.

The United States government prosecuted Mr. Stockett for wire fraud and secured a conviction. At trial, Mr. Stockett's defense attorney did not present any evidence at trial in his case-in-chief, apparently confidently believing that the government had not proven its case. The jury returned a verdict against Mr. Stockett.

Had the jury seen the letter of intent from IOG, and Akropolis Ventures, the owner of the warehouse, as well heard as Mr. Stockett's testimony, I believe there is a significant possibility that the outcome would have been different.

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From the documents I have seen and my conversations with Mr. Stockett and Mr. Declan O'Donnell, Esq., I am not convinced beyond a reasonable doubt that Mr. Stockett did anything wrong. The essence of the government's case with respect to the "pump and dump" scheme would have been eviscerated by the documents showing IOG was in fact at fault for dumping the stock. The personal loan from the Weins' was just that, a personal loan, so that Mr. Stockett could direct the money most profitably and that loan was fully secured by a loan origination fee in the form of valuable stock and even more valuable stock as collateral. None of this was presented in the Mr. Stockett's case-in-chief because no case-in-chief was made on behalf of Mr. Stockett.

I personally spoke with Mr. Declan O'Donnell, Esq., Mr. Stockett's attorney during the SEC investigation. He will unequivocally vouch for the fact that Mr. Stockett fully cooperated with the SEC's investigation, that he sent Mr. Stockett's defense attorney a sealed box of documents but that after the trial, that box was returned to him unopened, apparently never having been reviewed by Mr. Stockett's defense attorney. Mr. O'Donnell believes that Mr. Stockett is totally and obviously innocent and wouldn't have thought for a minute he would have been convicted of anything. Mr. O'Donnell found it remarkable that Mr. Stockett's attorney put in no exhibits, and no evidence. Mr. O'Donnell attended one trial for a half day and it made him "sick." Mr. O'Donnell reviewed all kinds of evidence

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showing that he had cement deals going on and legitimate business. Indeed, Mr. O'Donnell represented Mr. Stockett in other business ventures, and although he does not remember the exact details, he does remember that he was involved in those negotiations.

Contrary to the case that was made against Mr. Stockett and based on documents acquired after the conviction, there is evidence that establish High Tech and U.S. Cement was doing legitimate business. There are letters to and from IOG referencing the multi-million dollar deal between IOG and High Tech, a letter from Wells Fargo stating that, contrary to the government's contention that U.S. Cement did no legitimate business, U.S. Cement had been banking with Wells Fargo since May 1999 and at the time of the letter, August 24, 2000, had in excess of \$500,000. There are invoices billing U.S. Cement for the shipment of thousands of bags of cement, a promissory note that is a personal loan to Mr. Stockett, a financial services agreement from BDL Financial Corporation to secure \$25,000,000 in financing for U.S. Cement, a letter of intent from All Star Transit Mix Inc. referencing a purchase order for annual supply of cement from U.S. Cement, a subsequent letter discussing negotiation points for the acquisition of All Star Aggregate, Inc. by U.S. Cement. Given all of this newly-acquired documents, I do not believe a reasonable and fair jury could have found Mr. Stockett guilty.

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Ultimately, Mr. Stockett was convicted and has paid his debt to society. He maintains his innocence and deserves a chance to work and earn a living. Any concerns about him are fully mitigated by the fact that for the next three years, the United States government can put him back in prison if he is suspected of violating any law.

Given everything that I have seen, my conversations with Mr. Stockett and Mr. O'Donnell, I am of the opinion that Mr. Stockett may not have received a fair trial and there is a significant possibility that Mr. Stockett was wrongfully convicted.

Please feel free to call me any time regarding this letter and the documents I have reviewed, interviews I conducted to come to these conclusion.

Best professional regards,



5/1/2014

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