

MARK BRNOVICH  
Attorney General  
Firm Bar No. 14000

ADAM J SCHWARTZ  
State Bar No. 028969  
Assistant Attorney General  
1275 West Washington Street  
Phoenix, Arizona 85007-2926  
Telephone 602-542-3881  
crmfraud@azag.gov

Attorneys for Plaintiff

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA  
IN AND FOR THE COUNTY OF MARICOPA

STATE OF ARIZONA,

Plaintiff,

v.

**RICHARD MARK SCHMERMAN (001),**

Defendant.

Case No:

**80 SGJ 137**

**INDICTMENT**

CHARGING VIOLATIONS OF:

**COUNTS 1, 2, 6, 8, 11, 13, 15, & 16:**  
**FRAUDULENT SCHEMES &**  
**ARTIFICES**, Class 2 Felonies, in violation  
of A.R.S. § 13-2310;

**COUNT 3 & 4: CRIMINAL**  
**IMPERSONATION**, Class 6 Felonies, in  
violation of A.R.S. § 13-2006;

**COUNTS 5, 7, 10 & 17: THEFT**, Class 2  
Felonies, in violation of A.R.S. § 13-1802;

**COUNT 9: FORGERY**, Class 4 Felony, in  
violation of A.R.S. § 13-2002;

**COUNTS 12 & 14: THEFT**, Class 3  
Felonies, in violation of A.R.S. § 13-1802.

The Arizona State Grand Jury accuses, **RICHARD MARK SCHMERMAN**, charging on this 15<sup>th</sup> day of February, 2017, that in or from Maricopa County, Arizona:

**COUNT 1**  
**FRAUDULENT SCHEMES & ARTIFICES**

On or between approximately January 1, 2005 and January 31, 2013, **RICHARD MARK SCHMERMAN**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representation, promises, or material omissions. This conduct occurred when **RICHARD MARK SCHMERMAN** obtained investor funds and then used those funds for purposes other than what the investors had authorized, in violation of A.R.S. §§ 13-2310, 13-701, 13-702 and 13-801.

The value of the benefit involved in this count exceeds \$100,000. A.R.S. §§ 13-2301, 13-2310.

**COUNT 2**  
**FRAUDULENT SCHEMES & ARTIFICES**

On or between approximately April 1, 2010 and January 31, 2013, **RICHARD MARK SCHMERMAN**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representation, promises, or material omissions. This conduct occurred when **RICHARD MARK SCHMERMAN** received investment management fees from Charles Schwab investor accounts after his access to those investor accounts had been terminated in violation of A.R.S. §§ 13-2301, 13-2310, 13-701, 13-702 and 13-801.

**COUNT 3**  
**CRIMINAL IMPERSONATION**

On or between approximately November 10, 2010 and August 30, 2011, **RICHARD MARK SCHMERMAN** assumed the identity of Rolf Vrla with the intent to defraud another in violation of A.R.S. §§ 13-2006, 13-701, 13-702, and 13-801.

//

**COUNT 4**  
**CRIMINAL IMPERSONATION**

On or between approximately November 10, 2010 and August 30, 2011, **RICHARD MARK SCHMERMAN** assumed the identity of Dick Witter with the intent to defraud another in violation A.R.S. §§ 13-2006, 13-701, 13-702, and 13-801.

**COUNT 5**  
**THEFT**

On or between approximately August 1, 2005 and January 31, 2013, **RICHARD MARK SCHMERMAN**, without lawful authority, knowingly controlled the property of another with the intent to deprive that person of such property; OR, knowingly converted for an unauthorized term or use the property of another entrusted to the defendant or placed in the defendant's possession for a limited, authorized term or use; OR knowingly obtained property of another by means of material misrepresentation with the intent to deprive that person of the property. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing property valued at more than \$100,000 from Scott and/or Shirley Stowe, in violation of A.R.S. §§ 13-1801, 13-1802, 13-701, 13-702, and 13-801.

**COUNT 6**  
**FRAUDULENT SCHEMES & ARTIFICES**

On or between approximately August 1, 2005 and January 31, 2013, **RICHARD MARK SCHMERMAN**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representation, promises, or material omissions. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing the property of Scott and/or Shirley Stowe, in violation of A.R.S. §§ 13-2301, 13-2310, 13-701, 13-702 and 13-801.

The value of the benefit involved in this count exceeds \$100,000. A.R.S. §§ 13-2301, 13-2310.

**COUNT 7**  
**THEFT**

On or between approximately August 1, 2005 and January 31, 2013, **RICHARD MARK SCHMERMAN**, without lawful authority, knowingly controlled the property of another with the intent to deprive that person of such property; OR, knowingly converted for an unauthorized term or use the property of another entrusted to the defendant or placed in the defendant's possession for a limited, authorized term or use; OR knowingly obtained property of another by means of material misrepresentation with the intent to deprive that person of the property. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing property valued at more than \$100,000 from Gloria and/or Elizabeth Aiken, in violation of A.R.S. §§ 13-1801, 13-1802, 13-701, 13-702, and 13-801.

**COUNT 8**  
**FRAUDULENT SCHEMES & ARTIFICES**

On or between approximately January 1, 2005 and June 1, 2010, **RICHARD MARK SCHMERMAN**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representation, promises, or material omissions. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing the property of Gloria and/or Elizabeth Aiken, in violation of A.R.S. §§ 13-2301, 13-2310, 13-701, 13-702 and 13-801.

The value of the benefit involved in this count exceeds \$100,000. A.R.S. §§ 13-2301, 13-2310.

**COUNT 9**  
**FORGERY**

On or between approximately August 1, 2008 and September 1, 2008, **RICHARD MARK SCHMERMAN**, with intent to defraud, knowingly possessed a forged instrument; OR offered or presented a forged instrument or one that contains false

information. This conduct occurred in connection with a letter from **RICHARD MARK SCHMERMAN** to Stephanie Bivens regarding Elizabeth Aiken's investment funds in violation of A.R.S. §§13-2001, 13-2002, 13-701, 13-702, and 13-801.

**COUNT 10**  
**THEFT**

On or between approximately June 22, 2005 and January 31, 2013, **RICHARD MARK SCHMERMAN**, without lawful authority, knowingly controlled the property of another with the intent to deprive that person of such property; OR, knowingly converted for an unauthorized term or use the property of another entrusted to the defendant or placed in the defendant's possession for a limited, authorized term or use; OR knowingly obtained property of another by means of material misrepresentation with the intent to deprive that person of the property. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing property valued at more than \$100,000 from Burritt Steward and/or Pamela Moran in violation of A.R.S. §§ 13-1801, 13-1802, 13-701, 13-702, and 13-801.

**COUNT 11**  
**FRAUDULENT SCHEMES & ARTIFICES**

On or between approximately January 1, 2005 and June 1, 2010, **RICHARD MARK SCHMERMAN**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representation, promises, or material omissions. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing the property of Burritt Steward and/or Pamela Moran, in violation of A.R.S. §§ 13-2301, 13-2310, 13-701, 13-702 and 13-801.

The value of the benefit involved in this count exceeds \$100,000. A.R.S. §§ 13-2301, 13-2310.

//

//

**COUNT 12**  
**THEFT**

On or between approximately December 1, 2009 and January 31, 2013, **RICHARD MARK SCHMERMAN**, without lawful authority, knowingly controlled the property of another with the intent to deprive that person of such property; OR, knowingly converted for an unauthorized term or use the property of another entrusted to the defendant or placed in the defendant's possession for a limited, authorized term or use; OR knowingly obtained property of another by means of material misrepresentation with the intent to deprive that person of the property. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing property valued at more than \$4,000 but less than \$25,000 from Judy and/or Rita Pellish in violation of A.R.S. §§ 13-1801, 13-1802, 13-701, 13-702, and 13-801.

**COUNT 13**  
**FRAUDULENT SCHEMES & ARTIFICES**

On or between approximately December 1, 2009 and January 31, 2013, **RICHARD MARK SCHMERMAN**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representation, promises, or material omissions. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing property from Judy and/or Rita Pellish, in violation of A.R.S. §§ 13-2301, 13-2310, 13-701, 13-702 and 13-801.

**COUNT 14**  
**THEFT**

On or between approximately March 1, 2009 and January 31, 2013, **RICHARD MARK SCHMERMAN**, without lawful authority, knowingly controlled the property of another with the intent to deprive that person of such property; OR, knowingly converted for an unauthorized term or use the property of another entrusted to the defendant or

placed in the defendant's possession for a limited, authorized term or use; OR knowingly obtained property of another by means of material misrepresentation with the intent to deprive that person of the property. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing property valued at more than \$4,000 but less than \$25,000 from Joshua Fischer in violation of A.R.S. §§ 13-1801, 13-1802, 13-701, 13-702, and 13-801.

**COUNT 15**  
**FRAUDULENT SCHEMES & ARTIFICES**

On or between approximately March 1, 2009 and January 31, 2013, **RICHARD MARK SCHMERMAN**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representation, promises, or material omissions. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing property from Joshua Fischer, in violation of A.R.S. §§ 13-2301, 13-2310, 13-701, 13-702 and 13-801.

**COUNT 16**  
**FRAUDULENT SCHEMES & ARTIFICES**

On or between approximately December 1, 2006, and May 1, 2011, **RICHARD MARK SCHMERMAN**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representation, promises, or material omissions. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** actions regarding the C & P Beauvais Trust, in violation of A.R.S. §§ 13-2301, 13-2310, 13-701, 13-702 and 13-801.

The value of the benefit involved in this count exceeds \$100,000. A.R.S. §§ 13-2301, 13-2310.

//

//

//

**COUNT 17**  
**THEFT**


On or between approximately March 1, 2009 and January 31, 2013, **RICHARD MARK SCHMERMAN**, without lawful authority, knowingly controlled the property of another with the intent to deprive that person of such property; OR, knowingly converted for an unauthorized term or use the property of another entrusted to the defendant or placed in the defendant's possession for a limited, authorized term or use; OR knowingly obtained property of another by means of material misrepresentation with the intent to deprive that person of the property. This conduct occurred in connection with **RICHARD MARK SCHMERMAN** obtaining and managing property valued over \$100,000 from Claude Beach in violation of A.R.S. §§ 13-1801, 13-1802, 13-701, 13-702, and 13-801.

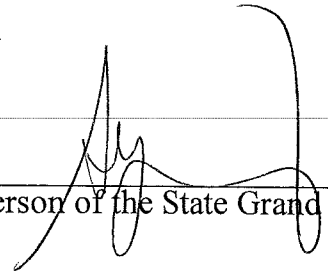
Pursuant to A.R.S. § 21-425, the State Grand Jurors find that the offenses described above were committed in Maricopa County, Arizona.

*A True Bill*  
\_\_\_\_\_  
(A "True Bill")

MARK BRNOVICH  
ATTORNEY GENERAL  
STATE OF ARIZONA

Dated: Feb 15, 2017

  
\_\_\_\_\_  
ADAM J SCHWARTZ  
Assistant Attorney General

  
\_\_\_\_\_  
Foreperson of the State Grand Jury