

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF Walsh County

NORTHEAST JUDICIAL DISTRICT

The State of North Dakota, )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
 ROSS OWEN HAUGEN, )  
 )  
 Defendant. )

File No. 50-10-K-325

PLEA AGREEMENT

**ROSS OWEN HAUGEN** has been charged with the offenses of:

Count 1: Sale of Unregistered Securities in violation of N.D.C.C. § 10-04-04, a Class B Felony, and

Count 2: Acting as an Unregistered Advisor in violation of N.D.C.C. § 10-04-10(3), a Class B Felony, and

Count 3: Unlawful Custody of Client Funds in violation of N.D.C.C. § 10-04-10.1(6), a Class B Felony, and

Count 4: Fraudulent Practices in violation of N.D.C.C. § 10-04-15(1), a Class B Felony, and

Count 5: Sale of Unregistered Securities in violation of N.D.C.C. § 10-04-04, a Class B Felony, and

Count 6: Acting as an Unregistered Advisor in violation of N.D.C.C. § 10-04-10(3), a Class B Felony, and

Count 7: Unlawful Custody of Client Funds in violation of N.D.C.C. § 10-04-10.1(6), a Class B Felony, and

Count 8: Fraudulent Practices in violation of N.D.C.C. § 10-04-15(1), a Class B Felony.

The State of North Dakota and **ROSS OWEN HAUGEN**, through his attorneys Steven J. Meshbeshner of Meshbeshner & Associates, Minneapolis, MN, and Robert C. Fleming of Fleming, DuBois & Fleming, Cavalier, ND, have engaged in discussions to reach an agreement in return for **ROSS OWEN HAUGEN** pleading guilty.

Therefore, pursuant to Rule 11(d) of the North Dakota Rules of Criminal Procedure, the State of North Dakota and **ROSS OWEN HAUGEN** have agreed to the following resolution of the above cases:

1. **ROSS OWEN HAUGEN** will plead **GUILTY** to Count 2: **Acting As Unregistered Advisor**. At the time of the plea, **ROSS OWEN HAUGEN** will be required to admit to the criminal activity, and will not be able to rely upon an "Alford" plea.
2. The State will file a Motion to Dismiss Counts 1, 3, 4, 5, 6, 7 & 8 pursuant to the terms of this plea agreement.

3. **ROSS OWEN HAUGEN** will receive a deferred imposition of sentence for a period of three (3) years, according to the provisions of N.D.C.C. § 12.1-32-02(4), and subject to the requirements of N.D.C.C. § 12.1-32-07, § 12.1-32-07.1 and § 12.1-32-07.2 as well as any additional statutes and/or rules governing the Court's handling of deferred imposition of sentence.
4. During the three (3) years of deferred imposition of sentence, **ROSS OWEN HAUGEN** will be subject to supervised probation, pursuant to terms and conditions to be set by the Court, in accord with N.D.C.C. § 12.1-32-06.1 and § 12.1-32-07, including but not limited to the following:
  - a. He will not be allowed to be involved in any financial transactions that are governed by Chapter 10-04 of the North Dakota Century Code and/or the Securities and Exchange Act of 1934, whether as an agent, broker/dealer, investment advisor, issuer, or as an employee, agent or representative of an agent, broker/dealer, investment advisor or issuer. In essence, he is not to engage in any type of securities transactions or financial transactions where he is receiving a commission based on sales or investments of other people's money.
  - b. His probation officer will have full access to all of his computers and financial records, including bank accounts, investment accounts, credit card accounts, trust accounts, and/or any other type of record relating to his finances.
  - c. He will answer truthfully and fully all questions posed to him by any investigators for any state or federal agency related to his involvement with Safeguard 3030, Tigre Systems and/or the principals thereof, and the solicitation of funds from the victim in this case that were subsequently wired to Safeguard 3030. Moreover, he will cooperate with any subpoenas to appear and/or produce documents which may be issued by investigators for any state or federal agency related to his involvement with Safeguard 3030, Tigre systems and/or the principals thereof.
  - d. He will not have any contact with the victim in this case, nor will he direct any third parties to have contact with the victim in this case.
5. **ROSS OWEN HAUGEN** will be required to pay the following fees and restitution:


\$ 650	Court Administration Fee
\$ 100	Facility Improvement Fee
\$ 25	Victim Assistance Fee
<u>\$ 50,000</u>	Restitution to Arlene Hanson
<b>\$ 50,775</b>	<b>TOTAL</b>

6. Bail in the amount of \$25,000 cash has been posted by **ROSS OWEN HAUGEN** in this case. The parties agree that the entire \$25,000 cash can be

discharged and applied to the fees and restitution in this case. The remaining \$25,775 must be paid in full prior to the presentation of this plea agreement to the Court.

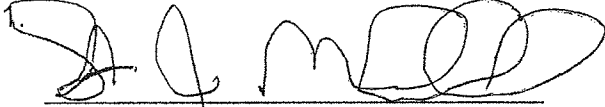
7. The sentence in this case shall run **concurrently** with the sentence in File No. 50-10-K-153.

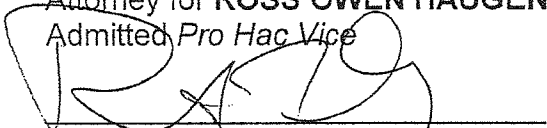
Dated this 14<sup>th</sup> day of November, 2011.

  
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Barbara L. Whelan  
Walsh County State's Attorney  
N.D. Bar No. 05039

This document represents the complete terms of the plea agreement which has been discussed and agreed upon by the parties.

Dated this 14<sup>th</sup> day of November, 2011.

  
\_\_\_\_\_  
Steven J. Meshbesh  
Attorney for **ROSS OWEN HAUGEN**  
Admitted *Pro Hac Vice*


  
\_\_\_\_\_  
Robert C. Fleming  
Attorney for **ROSS OWEN HAUGEN**  
N.D. Bar No. 05598

I have read the foregoing and certify that negotiations were conducted and that no threats or promises, other than what is contained herein, have been made to me to plead guilty to the above offense. I understand that the Court is not bound by this agreement and that I may withdraw my plea of guilty and plead not guilty if the Court does not accept these terms.

I further acknowledge that I have had the opportunity to review this matter with my attorneys, and that I am satisfied with the representation I have received from them.

My signature on this plea agreement acknowledges that I have fully reviewed the charges against me and the possible range of punishment, and that I voluntarily enter into this plea agreement.

Dated this 14<sup>th</sup> day of November, 2011.

  
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**ROSS OWEN HAUGEN**  
Defendant