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Record Searchlight

Duo will face securities trial

More than 40 felony counts filed over viatical investments

By Kimberly Bolander

Record Searchlight

An Anderson man was sent back to jail in lieu of \$1 million bail Thursday after a judge ordered him to face

trial for allegedly cheating 18 north state investors out of almost \$1.5 million.

Roger Alvin Sande, 65, and his Redding associate, Scott Allan Moody, 40, will go before a jury on a combination

of 42 felony counts for their sales of viatical securities.

Viaticals are sales of life insurance policies authorized by terminally ill people prior to their deaths. Although lawful in California, viaticals are high-risk investments that must be sold by a licensed broker through the state's Department of Insurance,

investigators have said.

Shasta County Superior Court Judge James Ruggiero presided over a six-day preliminary hearing that ended Thursday.

The judge heard testimony from 19 witnesses, 14 of whom are alleged victims, Deputy District Attorney Matt Stegman said. Many of

the victims are seniors.

Ruggiero upheld all charges prosecutors filed against the two defendants, Stegman said.

Sande is charged with 38 felony counts for grand theft by fraud and unlicensed securities sales.

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His Redding attorney, John Kucera, said Sande believed the viaticals he sold were secure.

"Let's put it this way: He believed so much in these investments that he had family members invest.

So he was not acting with the knowledge that this was something bad," he said.

Furthermore, Kucera said, his client is being prosecuted for a crime that didn't exist in California until Jan. 1, 2001, when the state declared viaticals to be securities.

The allegations against Sande span from December 1997 to December 1998, he said.

Investigators say Sande

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season has been a smooth one.

lured investors with promises of "risk-free, totally safe" investments.

In a joint investigation with the FBI, Redding police identified 47 potential victims whose total loss exceeds \$2,785,000, investigators said.

However, prosecutors limited the case to 16 alleged victims whose losses total \$1,498,142, Stegman said.

Sande faces three additional allegations for causing investors losses exceeding \$50,000, \$100,000 and \$500,000, Stegman said.

Sande has prior felony convictions from a single 1985 Santa Clara County case, for failing to record a trust deed, Kucera said.

He was sentenced to two years in prison for two counts of grand theft and one count of securities fraud, Kucera said.

Moody is charged with four counts of felony grand theft by fraud, Stegman said.

Kucera argued Thursday for Sande's continued release from jail, saying his client is no longer selling investments

and is not a flight risk.

Ruggiero apparently disagreed, ordering Sande back into custody and setting his bail at \$1 million for the securities case and \$10,000 for a separate case alleging he was a felon in possession of a firearm, Stegman said.

The defendants are scheduled to return to court March 21.

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