

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

<b>STATE OF IOWA,</b> <i>Plaintiff,</i> v. <b>EDDIE RAYMOND TIPTON,</b> <i>Defendant.</i>	<b>AGENCY CASE NO.:</b> _____ <b>AGENCY:</b> ATTY. GEN. <b>COUNTY ATTORNEY COMPLAINT REVIEW</b>
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COMES NOW the undersigned Assistant Attorney General Robert Sand and states as follows:

I have read and reviewed the attached complaint and affidavit. I:

- Approve** the charges of Fraud in violation of Iowa Code Section(s): 99G.26(2), 706A2.4, 706A.1(5)
- A **No Contact Order** with the victim(s) of this crime is requested.

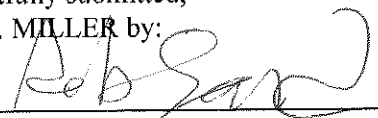
With regard to a bond amount, the State requests that:

- Bond be set according to the standard bond schedule.
- Bond be set in the amount of \_\_\_\$25,000 PLUS SURRENDER OF PASSPORT\_\_\_\_.
- Cash Only.
- Cash or Surety.
- 10% to the Court.
- The defendant be released on the defendant's own recognizance (O/R).

Based on the information currently available to me, I offer this additional information to the court / clerk:

- Other: \_\_\_\_\_
- The defendant currently has other pending charges.
- The defendant has a relevant criminal history.
- This crime occurred in violation of a No Contact Order.
- The defendant is currently on probation.

**WHEREFORE** the State respectfully requests the Court find probable cause and allow the case to proceed under the circumstances set out above.

Respectfully submitted,  
TOM J. MILLER by:  
/s/   
Robert H. Sand  
Assistant Atty General ATT0010489  
Attorney General's Office  
1305 E. Walnut, Des Moines, IA  
(515) 281-5536  
[rob.sand@iowa.gov](mailto:rob.sand@iowa.gov)

Polk County Complaint & Affidavit

STATE OF IOWA, COUNTY Polk  
OF

STATE OF IOWA  
Vs.

Before (Judge, Magistrate) \_\_\_\_\_  
Criminal Case No. \_\_\_\_\_

Eddie Raymond Tipton

COMPLAINT

Defendant

5550 Cowan Road, Flatonia, Texas

Address March 15, 1963

Birthdate

The defendant is accused of the crime of Ongoing Criminal Conduct, in violation of §§ 99G.36(2), 706A.1(5), and  
(Name the Offense and code or Ordinance section)  
706A.2(4) in that he from 2003-2012

at the Multistate Lottery Association Headquarters

(Here locate the City, or Township where the offense occurred)

in Polk County, did commit for financial gain on a continuing basis an act that is punishable  
As an indictable offense, specifically to attempt to influence the winning of a prize through the use of tampering with  
lottery equipment

(State the acts or omissions constituting the offense)

I certify under penalty of perjury and pursuant to the laws of the State of Iowa that the proceeding is true and correct. \*

October 7, 2015

Date

X Stanley Smith I-173  
Complainant's signature

STATE OF IOWA,  
COUNTY OF Polk, ss:

I the undersigned, being first duly sworn and under oath, state that the following facts known to me or told to me by other reliable persons form the basis for my belief that Eddie Raymond Tipton

the defendant committed the crime charged.

After Defendant was convicted in July of 2015 of tampering with lottery equipment to win a \$16.5M jackpot ticket in Iowa, a tip was received that Defendant's brother, Tommy Tipton, had won the lottery in Colorado, and later that a specific law enforcement official could provide additional information. An investigation ensued and showed the following. In Spring 2006, authorities initiated an investigation into Tommy Tipton, a Justice of the Peace in Texas, who was reported to have \$500,000 in consecutively marked bills. The investigation closed when Tipton informed authorities that he won \$568,990 on a Colorado Lotto ticket he purchased in November 2005 that won a share of a \$4.5 million jackpot. He recruited a friend to claim the ticket on his behalf and gave the friend roughly 10% of the winnings. The friend verified this. The Colorado Lottery verified that the friend had in fact been paid that Colorado Lotto jackpot. Authorities were unaware of that Tommy was Defendant's brother, or of Defendant's position at the time with the Multistate Lottery Association (MUSL). Recently, Colorado Lottery officials report that the ticket Tommy Tipton's friend claimed was a "manual play" ticket (meaning the purchaser selected his own numbers), for a game in which the winning numbers are determined by a random number generator (RNG) computer. That RNG computer was built at MUSL (headquartered within Polk County) by MUSL staff, including Defendant. In addition, a witness will testify that around the time of the Colorado jackpot, Tommy Tipton had asked him whether, and how, cash money could be traced. Additional investigation revealed that in February 2008, Robert Rhodes of Houston, Texas sought to claim a \$2 million Wisconsin Megabucks lottery ticket through a corporate entity by filing a lawsuit in the name of Delta S Holdings, LLC against the State of Wisconsin, seeking a court order that would require the Wisconsin Lottery to pay out the claim to the LLC instead of to Rhodes. Rhodes, like Tommy Tipton, selected the lump payment option. The LLC was paid \$783,257.72 for the ticket, which won on December 29, 2011. Recently, Wisconsin Lottery officials report that the ticket which Rhodes presented was a "manual play" ticket (meaning the purchaser selected his own numbers), for a game in which the winning numbers are determined by a random number generator (RNG) computer. That RNG computer was built at MUSL by MUSL staff, including Defendant.

On December 23, 2010 a winning Hot Lotto ticket was purchased at the Quick Trip on E14th and Interstate 80 in Des Moines, Iowa. This purchase was captured and recorded with video and audio surveillance, which the Iowa Lottery obtained promptly. On November 9 and 10, 2011, Philip Johnston of Canada contacted the Iowa Lottery claiming to be the winner of the lottery ticket. Johnston provided the ticket's 15 digit security number as verification of his claim. On December 6, 2011, Johnston advised he was not the owner of the ticket and stated he was representing an anonymous party. On December 29, 2011 Crawford Shaw of New York acting as a trustee of Hexham Investments presented a claim and the ticket to the Iowa Lottery through the Davis Brown Law Firm. In the Grantor Trust Agreement submitted by Shaw, for Hexham Investments, Shaw is listed as the Trustee and Johnston is listed as the Trustor/President of Hexham Investments Ltd. On January 26, 2013 Davis Brown Law Firm on behalf of Shaw withdrew their claim to the winnings because the Iowa Lottery refused to pay without the ticket's purchaser and possessor(s) being identified.

On August 22, 2013 Johnston was interviewed in Quebec City, Canada about his knowledge of the lottery ticket. Johnston advised he was first contacted on October 17<sup>th</sup> 2011 by Robert Sonfield and his client Robert Rhodes, requesting Johnston's assistance with claiming the lottery ticket. Johnston has a prior professional relationship with Sonfield and Rhodes. Johnston provided copies of his day planner and phone records to verify his statement.

In October 2014, the video and audio recording of the purchase of the winning ticket was publicly released with a request for information regarding the identity of the purchaser. On October 13, 2014, a Maine Lottery employee provided a tip that the individual sounded exactly like Defendant, who was also a MUSL employee and lived in Iowa. DCI interviewed additional individuals who also said the purchaser sounded like Defendant.

Later, a DCI Special Agent interviewed Defendant. Defendant admitted that as a MUSL employee, he cannot buy lottery tickets nor can he win the lottery. He stated that he "wasn't even in town in that time period" that the ticket was purchased. Cell phone records, however, indicate he was in the Des Moines area on the date the ticket was purchased. He was multiple times asked for contacts in Houston outside of his family; he did not mention Robert Rhodes. Cell phone records, however, indicate frequent and lengthy phone calls between the defendant and Rhodes, including on the day Defendant purchased the Iowa ticket. Ed Stefan, a coworker of Defendant's, reported that Rhodes is Defendant's best friend and traditionally visits Defendant in Iowa for 4<sup>th</sup> of July. Stefan and Jason Maher, another coworker, said that Defendant had the technical ability and the opportunity to tamper with the RNG machines that pick winning lottery numbers, in order to make the numbers predictable. In addition, Defendant purchased a home in Iowa within months of his brother's jackpot payout and bank records also show that Rhodes, acting through Delta S Holdings, transferred tens of thousands of dollars to Defendant's accounts within 18 months after the Wisconsin payout.

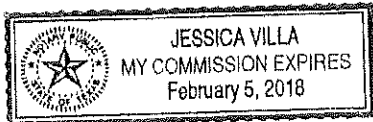
I certify under penalty of perjury and pursuant to the laws of the State of Iowa that the preceding is true and correct. \*

October 7, 2015  
Date

X SIA Don Smith I-175  
Complainant's signature

Subscribed and sworn to before me by SIA Don Smith at Conroe, Texas this 7<sup>th</sup> day of OCTOBER, 2015.

Jessica Villa Notary



**FINDING OF THE COURT**

The Court has reviewed the affidavit(s) submitted in this matter and finds that

(did) (did not), have probable cause to believe the above named defendant committed a crime and that there (is) (is not), probable cause for detaining said defendant pending further proceedings.

Done this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Judicial Magistrate

