

FILED IN THE DISTRICT COURT
THIRD JUDICIAL DISTRICT

JAN 25 1988

SALT LAKE COUNTY

By XU Deputy Clerk

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IN THE THIRD JUDICIAL DISTRICT COURT IN AND FOR
SALT LAKE COUNTY, STATE OF UTAH

THE STATE OF UTAH, : Bail \$ _____
 :
 Plaintiff, :
 : **CRIMINAL INFORMATION**
 vs. :
 :
 PACIFIC AARON GUZMAN, : Case No. 081900693
 DOB: January 9, 1971 :
 : Judge _____
 Defendant. :

The undersigned, Investigator SUSAN JONES, upon oath, states on information and belief that the defendant committed the following crimes:

COMMUNICATIONS FRAUD
a second degree felony, 7 counts

THEFT,
a second degree felony, 7 counts

PATTERN OF UNLAWFUL ACTIVITY
a second degree felony, 1 count

COUNT 1
COMMUNICATIONS FRAUD
a second degree felony

Commencing on or about spring 2006, in Salt Lake County, State of Utah, and elsewhere, the defendant devised a scheme or artifice to defraud **Brian Hansen**, or to obtain from him money, property, or anything of value by means of false or fraudulent pretenses, representations, promises, or material omissions, and he communicated directly or indirectly with any person by any means for the purpose of executing or concealing the scheme or artifice. The total value of the property, money or thing obtained or sought to be obtained by the scheme or artifice was or exceeded \$5,000.00, a second degree felony.

COUNT 2
THEFT
a second degree felony

Commencing on or about July 2006, the defendant obtained or exercised unauthorized control over the property of **Brian Hansen**, with a purpose to deprive him thereof. The value of the property is or exceeds \$5,000.00. This is a violation of Utah Code Ann. § 76-6-404, a second degree felony.

COUNT 3
COMMUNICATIONS FRAUD
a second degree felony

Commencing on or about August 2006, in Salt Lake County,

State of Utah, and elsewhere, the defendant devised a scheme or artifice to defraud **Janet S. Holman**, or to obtain from her money, property, or anything of value by means of false or fraudulent pretenses, representations, promises, or material omissions, and he communicated directly or indirectly with any person by any means for the purpose of executing or concealing the scheme or artifice. The total value of the property, money or thing obtained or sought to be obtained by the scheme or artifice was or exceeded \$5,000.00, a second degree felony.

COUNT 4
THEFT
a second degree felony

Commencing on or about September 2006, the defendant obtained or exercised unauthorized control over the property of **Janet S. Holman**, with a purpose to deprive her thereof. The value of the property is or exceeds \$5,000.00. This is a violation of Utah Code Ann. § 76-6-404, a second degree felony.

COUNT 5
COMMUNICATIONS FRAUD
a second degree felony

Commencing on or about September 2006, in Salt Lake County, State of Utah, and elsewhere, the defendant devised a scheme or artifice to defraud **Jeff Jarrett**, or to obtain from him money, property, or anything of value by means of false or fraudulent

pretenses, representations, promises, or material omissions, and he communicated directly or indirectly with any person by any means for the purpose of executing or concealing the scheme or artifice. The total value of the property, money or thing obtained or sought to be obtained by the scheme or artifice was or exceeded \$5,000.00, a second degree felony.

COUNT 6
THEFT
a second degree felony

Commencing on or about September 2006, the defendant obtained or exercised unauthorized control over the property of **Jeff Jarrett**, with a purpose to deprive him thereof. The value of the property is or exceeds \$5,000.00. This is a violation of Utah Code Ann. § 76-6-404, a second degree felony.

COUNT 7
COMMUNICATIONS FRAUD
a second degree felony

Commencing on or about October 2006, in Salt Lake County, State of Utah, and elsewhere, the defendant devised a scheme or artifice to defraud **Creg Fielding**, or to obtain from him money, property, or anything of value by means of false or fraudulent pretenses, representations, promises, or material omissions, and he communicated directly or indirectly with any person by any means for the purpose of executing or concealing the scheme or

artifice. The total value of the property, money or thing obtained or sought to be obtained by the scheme or artifice was or exceeded \$5,000.00, a second degree felony.

COUNT 8
THEFT
a second degree felony

Commencing on or about October 2006, the defendant obtained or exercised unauthorized control over the property of **Creg Fielding**, with a purpose to deprive him thereof. The value of the property is or exceeds \$5,000.00. This is a violation of Utah Code Ann. § 76-6-404, a second degree felony.

COUNT 9
COMMUNICATIONS FRAUD
a second degree felony

Commencing on or about January 2007, in Salt Lake County, State of Utah, and elsewhere, the defendant devised a scheme or artifice to defraud **Gerald Rauch**, or to obtain from him money, property, or anything of value by means of false or fraudulent pretenses, representations, promises, or material omissions, and he communicated directly or indirectly with any person by any means for the purpose of executing or concealing the scheme or artifice. The total value of the property, money or thing obtained or sought to be obtained by the scheme or artifice was or exceeded \$5,000.00, a second degree felony.

COUNT 10
THEFT
a second degree felony

Commencing on or about February 2007, the defendant obtained or exercised unauthorized control over the property of **Gerald Rauch**, with a purpose to deprive him thereof. The value of the property is or exceeds \$5,000.00. This is a violation of Utah Code Ann. § 76-6-404, a second degree felony.

COUNT 11
COMMUNICATIONS FRAUD
a second degree felony

Commencing on or about late 2006, in Salt Lake County, State of Utah, and elsewhere, the defendant devised a scheme or artifice to defraud **Frederick Garcia**, or to obtain from him money, property, or anything of value by means of false or fraudulent pretenses, representations, promises, or material omissions, and he communicated directly or indirectly with any person by any means for the purpose of executing or concealing the scheme or artifice. The total value of the property, money or thing obtained or sought to be obtained by the scheme or artifice was or exceeded \$5,000.00, a second degree felony.

COUNT 12
THEFT
a second degree felony

Commencing on or about February 2007, the defendant obtained

or exercised unauthorized control over the property of **Frederick Garcia**, with a purpose to deprive him thereof. The value of the property is or exceeds \$5,000.00. This is a violation of Utah Code Ann. § 76-6-404, a second degree felony.

COUNT 13
COMMUNICATIONS FRAUD
a second degree felony

Commencing on or about February 2007, in Salt Lake County, State of Utah, and elsewhere, the defendant devised a scheme or artifice to defraud **Susan Hensley**, or to obtain from her money, property, or anything of value by means of false or fraudulent pretenses, representations, promises, or material omissions, and he communicated directly or indirectly with any person by any means for the purpose of executing or concealing the scheme or artifice. The total value of the property, money or thing obtained or sought to be obtained by the scheme or artifice was or exceeded \$5,000.00, a second degree felony.

COUNT 14
THEFT
a second degree felony

Commencing on or about February 2007, the defendant obtained or exercised unauthorized control over the property of **Susan Hensley**, with a purpose to deprive her thereof. The value of the property is or exceeds \$5,000.00. This is a violation of Utah

Code Ann. § 76-6-404, a second degree felony.

COUNT 15
PATTERN OF UNLAWFUL ACTIVITY
a second degree felony

Commencing on or about July 2006, the defendant has engaged in conduct which constituted the commission of at least three episodes of unlawful activity as defined in Utah Code Ann. § 76-10-1601 (1995). The defendant: (1) received proceeds derived, directly or indirectly, from a pattern of unlawful activity as more fully defined in Counts 1 through 14 above, in which he participated as a principal, or he used or invested, directly or indirectly, any part of that income, or the proceeds of the income, or the proceeds derived from the investment or use of those proceeds, in the acquisition of any interest in, or establishment or operation of, any enterprise; (2) through a pattern of unlawful activity acquired or maintained, directly or indirectly, any interest in or control of any enterprise; or (3) was employed by, or associated with any enterprise and conducted or participated, whether directly or indirectly, in the conduct of that enterprise's affairs through a pattern of unlawful activity. The unlawful activity included three or more violations of Communications Fraud and Theft. This is a

violation of Utah Code Ann. §76-10-1601 and § 76-10-1603(5)
(1995), et seq. a second degree felony.

DATED this 25~~th~~ day of January, 2008.

Susan M Jones
SUSAN JONES, Affiant

SUBSCRIBED AND SWORN to before
me on this 25 day of Jan.,
2008.

Alan L. Smith
JUDGE, Third District Court


This CRIMINAL INFORMATION is based upon evidence from the following witnesses:

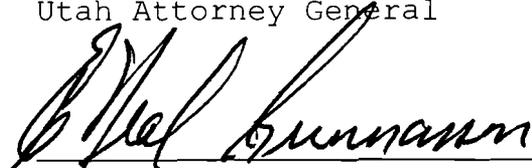
1. Janet S. Holman
2. Creg Fielding
3. Frederick Garcia
4. Susan Hensley
5. Gerald Rauch
6. Brian Hansen
7. Jeff Jarrett
8. David Walker
9. Nils Kristiansen
10. Steve Fontaine
11. J. C. But'ierries
12. Roman Guzman
13. Lyneille Tanner
14. Terry Suitt
15. And others.

AUTHORIZED for presentment and filing this 24 day of

January, 2008.

MARK L. SHURTLEFF
Utah Attorney General

By:


E. NEAL GUNNARSON
Assistant Attorney General

FILED DISTRICT COURT
Third Judicial District

JAN 25 2008

By YA / SALT LAKE COUNTY
Deputy Clerk

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IN THE THIRD JUDICIAL DISTRICT COURT IN AND FOR
SALT LAKE COUNTY, STATE OF UTAH

THE STATE OF UTAH, :
 :
 Plaintiff, : **AFFIDAVIT OF PROBABLE CAUSE**
 :
 vs. :
 :
 PACIFIC AARON GUZMAN : Case No. 081900693
 DOB: January 9, 1971 :
 :
 Defendant. : Judge _____

STATE OF UTAH)
 :ss
 COUNTY OF SALT LAKE)

I, SUSAN JONES, being first duly sworn upon oath, depose and state as follows:

1. I am a certified law enforcement officer of 30 years and am currently employed as a Securities Compliance Investigator for the Utah Department of Commerce, Division of Securities. Prior to my employment with the Division of Securities, I was employed by the Criminal Investigations Bureau of the Department of Public Safety. I am currently investigating possible

violations of securities fraud statutes and related criminal code violations by PACIFIC AARON GUZMAN.

2. The facts set forth in this affidavit are based upon the results of an investigation during which I have collected and reviewed business and personal records from witnesses and other sources. I have received information from the following individuals: Janet S. Holman, Creg Fielding, Frederick Garcia, Susan Hensley, Gerald Rauch, Brian Hansen, Jeff Jarrett, David Walker, Nils Kristiansen, Steve Fontaine, J. C. But'ierries, Roman Guzman, Lyneille Tanner and Terry Suitt.

PARTIES

3. PACIFIC AARON GUZMAN, at all pertinent times, resided in New Castle, Pennsylvania and Salt Lake County, Utah.

4. Pacific Lending, LLC is a Colorado limited liability company registered with the Colorado Secretary of State on January 17, 2006 and is now delinquent. Pacific Guzman is the Registered Agent. Pacific Lending, LLC has not been registered as a foreign limited liability company in Utah.

5. Pacific Lending Group, Inc. (PLGI) is a Utah corporation registered with the Utah Division of Corporations and Commercial Code on September 21, 2006 and is now delinquent. Pacific Guzman was Incorporator, President and Registered Agent.

SYNOPSIS OF SCHEME TO DEFRAUD

6. PLGI, according to its former website, "...is the largest investment banking firm that provides capital and financial services for all Commercial Real Estate Financing Worldwide." The company claimed it could secure loans for a wide variety of commercial projects.

7. Individuals or companies seeking commercial loans were asked to enter into an agreement with PLGI, referred to by employees as a "Letter of Intent" or a "Term Sheet." The agreement outlined the nature of the project and the required financing. It also required an advance fee, purportedly to cover costs of performing the necessary due diligence to secure funding for the project. A portion of the advance fee, most often 50%, was to be refunded at closing of the loan. Pacific Guzman signed all of these contracts as President/CEO of PLGI

8. After signing the contract and paying the advance fee, clients would not receive any communication from PLGI. Both telephone messages and emails would be unanswered. On the rare occasions someone was able to connect with Guzman on the telephone, he always became belligerent and verbally abusive. None of the due diligence was ever done per two employees of PLGI. Requests for refunds were ignored.

9. In connection with the solicitation of an advance fee to cover the cost of due diligence for a commercial loan, PACIFIC AARON GUZMAN made certain misrepresentations of material facts in his communications with clients, to wit: that Guzman would secure a commercial loan for the investors when in fact he made no effort to do so per PLGI employees; that the required advance fee was to cover the cost of the due diligence necessary to secure the commercial loan, when in fact Guzman used the funds for personal expenditures; and, that Pacific Lending Group Inc. was a commercial lender, when in fact the company had no funds to lend.

10. In connection with the solicitation of an advance fee to cover the cost of due diligence for a commercial loan, PACIFIC AARON GUZMAN omitted disclosure of certain material facts in his communications with clients, to wit: that Guzman filed for bankruptcy twice in 2002 in Arizona and

in 2006 in Colorado; that Guzman was convicted of Insufficient Funds Checks in San Joaquin, California in 1992; that Guzman was convicted of Obtaining Money Under False Pretenses in Reno, Nevada in 1998; that Guzman has at least three outstanding civil judgments; and, with respect to all clients except Brian Hansen, that Guzman had failed to fund Brian Hansen (and others) within the time frame specified and failed to refund any portion of the advance fee.

11. Guzman maintained three bank accounts, all at Key Bank and all in the name of Pacific Lending, LLC. Whereas, advance fees were deposited (mostly by wire transfer) into all three accounts, it appears two of the accounts (377 account and 567 account) were used to receive payments. Funds were then transferred to the third account (646 account), which was used for everyday living expenses.

COUNT 1
COMMUNICATIONS FRAUD, a second degree felony
Brian Hansen

12. In the spring of 2006 Brian Hansen was receiving a lot of cold calls soliciting home mortgages. On one of these calls Hansen advised the caller he did not need a home mortgage but he could use some funding for a residential development. The caller advised Hansen that Pacific Guzman could fill that need, stating Guzman was very successful at securing commercial loans. The caller gave Hansen's name and telephone number to Guzman, then in New Castle, Pennsylvania, who then called Hansen in Utah.

13. After the initial contact from Guzman, Hansen had his employees do some checking to verify the background Guzman was claiming. The family background as long-time lenders, as described by Guzman, checked out.

14. Hansen entered into an agreement which was a commitment for Guzman to secure a commercial loan for Hansen and wired the required due diligence fee of \$75,000 (through Horizon Title Insurance Agency) on July 18, 2006. After that there were nothing but delays and excuses from Guzman, but no loan was ever forthcoming. Some of the excuses came with a request for additional fees, which Hansen paid (at least an additional \$10,000).

15. Hansen has asked Guzman to refund his fees, but has received nothing.

16. Guzman did not tell Hansen about his criminal convictions, bankruptcy filings, and civil judgments before Hansen paid the advance fee.

COUNT 2
THEFT, a second degree felony
Brian Hansen

17. Pacific Lending bank records show Hansen's fee was deposited to the 646 account on July 18, 2006, bringing the account balance to \$76,810.67. A transfer of \$65,000 was made to open the 377 account on July 25, 2006.

18. Expenditures from the 646 account after the date of Hansen's fee payment include, but are not limited to, Golf Headquarters, BP Oil, Circuit City, Chick-Fil-A, Qwik Fill, Sprint Store, Copeland Hills Golf, Walmart Supercenter, Continental Airlines, Gymboree, Express Muffler and Dillards. Rent for July was paid to one housing company and for August to a different housing company.

19. Withdrawals from the 377 account after it was opened with Hansen's funds include three wires to Remington Financial Group totaling \$15,000 and bank fees totaling \$154.31. The remaining withdrawals include one cash withdrawal for \$8,100 and several transfers ranging from

\$4,500 to \$30,000 back to the 646 account.

COUNT 3
COMMUNICATIONS FRAUD, a second degree felony
Janet S. Holman

20. In August 2006, Janet Holman (Holman) was seeking funding to produce a movie. She contacted a broker, Steve Fontaine. Fontaine in turn referred her to Pacific Guzman of PLGI. Fontaine found PLGI through a search on craigslist.org under "Financing."

21. After the initial contact to express interest in seeking funding through PLGI, several three-way telephone conversations took place involving Holman, Fontaine and Guzman. At the time, Holman and Fontaine were in Hawaii and Guzman was in Salt Lake County, Utah. Guzman told Holman he could secure a \$66 million loan for her production company. There was a \$10,000 application fee involved to perform the necessary due diligence, but \$7,500 would be refunded when the loan was funded. Guzman told Holman this would be the only fee.

22. Guzman told Holman that once the letter of commitment was signed and the application fee was paid, a commitment to fund would take 20 to 45 days. Guzman also said that Holman would not need to have her director and actors attached prior to funding.

23. Holman also received a telephone call from David Garcia of the Remington Financial Group, Inc. (Remington). Garcia told Holman that PLGI and Remington were merging and Remington would be doing the underwriting on her loan.

24. Holman signed the agreement with PLGI and Remington and mailed it, along with a check for \$10,000 to Guzman at the Sandy, Utah address provided on September 21, 2006.

25. After sending in the agreement and the application fee, Holman received a call from Debbie Duva, an underwriter for Remington. Duva advised Holman there were fees of \$15,000 still owing before her loan could be processed. Holman immediately called Guzman asking why she was being asked to pay additional fees when she had it in writing there would only be the one \$10,000 fee. Guzman became verbally abusive with her, saying, among other things, "You have to spend money to make money."

26. Holman's last contact with Guzman was on November 6, 2007, when Guzman called her. Again Guzman was verbally abusive, and told her, among other things, that she had no experience and had to do what everyone else does to get the money. He said he was sending her a letter, but she has received nothing.

27. Holman has asked Guzman to refund his fees, but has received nothing.

28. Guzman did not tell Holman about his criminal convictions, bankruptcy filings, and his civil judgements prior to Holman paying the advance fee.

29. Guzman did not tell Holman that he had failed to fund Brian Hansen within the time frame specified and failed to refund any portion of the advance fee.

COUNT 4
THEFT, a second degree felony
Janet S. Holman

30. Pacific Lending bank records show Holman's fee was deposited to the 377 account, along with another check for \$7,500, on September 27, 2006, bringing the account balance to \$33,454.81. Although there are many deposits to this account, and the balance is always large, the only expenditures from the account after Holman's deposit, besides one wire transfer of \$10,000 to an

unknown recipient, are bank fees, ATM cash withdrawals and transfers to the 646 account and the 567 account ranging from \$4,000 to \$25,000 until the account was closed on May 1, 2007.

31. Expenditures from the 646 account after the date of Holman's fee payment include eating establishments including but not limited to Village Inn, Arby's, Market Street Oyster Bar, Applebee's; grocery stores including but not limited to Albertsons and Costco; clothing stores including but not limited to Nordstrom Rack and Dillards; furniture stores including but not limited to RC Willey and Mattress Furniture Outlet; mortgage payments; nanny payments; airline tickets; jewelry; and others.

COUNT 5
COMMUNICATIONS FRAUD, a second degree felony
Jeff Jarrett

32. Jeff Jarrett, through Jarrett Construction in Hawaii, planned to build a hotel and needed funding for that project. He contacted a local broker, Gina Martin, who introduced him to her partner, Steve Fontaine. Fontaine put him in contact with Pacific Guzman of PLGI in Utah.

33. After several telephone calls with Guzman to discuss the terms of their arrangement, Guzman sent Jarrett a Term Sheet, which specified the details of the agreement by which Guzman would secure funding for Jarrett's project. This agreement called for a \$7,500 due diligence fee. Jarrett signed the agreement and wired the fee to Guzman on or about September 27, 2006. Jarrett also provided all of the documentation requested by Guzman, such as credit reports, plans, appraisals, etc.

34. After signing the agreement with Guzman, Jarrett submitted his bid for the property on which

to build the hotel. The seller asked to receive documentation that funding was available for the project. Jarrett requested Guzman send something to the seller confirming that he would be providing funding, which Guzman failed to do. Ultimately, Jarrett lost the bid for the property and therefore had to scrap the entire project.

35. Jarrett has asked Guzman to refund his fees, but has received nothing.

36. Guzman made no disclosures to Jarrett, including, but not limited to, his criminal convictions and bankruptcy filings.

37. Guzman did not tell Jarrett that he had failed to fund Hansen and Holman within the time frame specified and failed to refund any portion of their advance fees.

COUNT 6
THEFT, a third degree felony
Jeff Jarrett

38. Pacific Lending bank records show Jarrett's fee was deposited to the 646 account on September 27, 2006, bringing the account balance to \$13,831.12. Expenditures from the 646 account after the date of Jarrett's fee payment include eating establishments including but not limited to Village Inn, Arby's, Market Street Oyster Bar, Applebee's; grocery stores including but not limited to Albertsons and Costco; clothing stores including but not limited to Nordstrom Rack and Dillards; furniture stores including but not limited to RC Willey and Mattress Furniture Outlet; mortgage payments; nanny payments; airline tickets; jewelry; and others.

COUNT 7
COMMUNICATIONS FRAUD, a second degree felony
Creg Fielding

39. Creg Fielding, from Idaho Falls, entered into an agreement with PLGI and Pacific Guzman,

then in Salt Lake County, Utah, to perform due diligence on a commercial property in Idaho Falls for the purpose of securing a loan. The agreement called for a survey of the property, an appraisal of the property, and other activities necessary for the property to qualify for a loan. The “application fee” for this due diligence was \$25,000, which was paid to PLGI on October 17, 2006.

40. After collecting the application fee, Guzman did nothing toward performing the due diligence specified in the agreement. Fielding maintained frequent contact with Guzman but nothing was ever done.

41. Fielding has asked Guzman to refund his fees, but has received nothing.

42. Guzman did not tell Fielding about his criminal convictions, civil judgments and bankruptcy filings prior to Fielding paying the advance fee.

43. Guzman did not tell Fielding that he had failed to fund Hansen, Holman and Jarrett within the time frame specified and failed to refund any portion of their advance fees.

COUNT 8
THEFT, a second degree felony
Creg Fielding

44. Pacific Lending bank records show Fielding’s fee was deposited to the 377 account on October 23, 2006, bringing the account balance to \$130,792.52. Although there are many deposits to this account, and the balance is always large, the only expenditures from the account after Fielding’s deposit are bank fees, ATM cash withdrawals and transfers to the 646 account and the 567 account ranging from \$4,000 to \$25,000 until the account was closed on May 1, 2007.

45. Expenditures from the 646 account after the date of Fielding’s fee payment include eating establishments including but not limited to Village Inn, Arby’s, Market Street Oyster Bar,

Applebee's; grocery stores including but not limited to Albertsons and Costco; clothing stores including but not limited to Nordstrom Rack and Dillards; furniture stores including but not limited to RC Willey and Mattress Furniture Outlet; mortgage payments; nanny payments; airline tickets; jewelry; and others.

COUNT 9
COMMUNICATIONS FRAUD, a second degree felony
Gerald Rauch

46. Gerald Rauch is the president of Quality Homes of Southern California, Inc., a construction company located in Corona, California. Rauch, from California, was seeking funding to build a development in Victorville and contacted JC. But'ierries at Kokopelli Mortgage for this purpose. But'ierries referred him to PLGI in Utah.

47. Rauch, working through But'ierries, entered into an agreement with PLGI. For a \$10,000 application fee, PLGI was to perform the necessary due diligence and provide a loan commitment in the amount of \$6,900,000. Rauch signed the agreement and wired the funds per the instructions provided with the agreement on January 24, 2007. The loan was to fund in 35 - 45 days.

48. After signing the agreement, paying the fee and providing all the requested documents, Rauch heard nothing more from PGLI. When 45 days expired and the loan had not funded, Rauch contacted But'ierries, who in turn contacted Guzman. When Guzman could not provide any plausible explanation why the loan had not been secured, Rauch requested his money be refunded, again through But'ierries. He has not received a refund.

49. Rauch was not advised about Guzman's criminal convictions, bankruptcy filings and civil judgments before paying the advance fee.

50. Guzman did not tell Rauch that he had failed to fund Hansen, Holman, Jarrett and Fielding within the time frame specified and failed to refund any portion of their advance fees.

COUNT 10
THEFT, a second degree felony
Gerald Rauch

51. Pacific Lending bank records show Rauch's fee was deposited to the 567 account on February 1, 2007, bringing the account balance to \$52,544.00. A transfer of \$35,000 was made to the 377 account the same day. On February 5, 2007, \$3,700 was wired to Sandra Guzman with the notation, "salary for Roman Guzman." On February 6, 2007, a deposit of \$15,000 was received, then transfers to the 646 account on February 12 for \$8,000 and February 15 for \$10,000.

52. Expenditures from the 646 account after the date of Rauch's fee payment include eating establishments including but not limited to Rock Creek Pizza, McDonald's, Denny's, Applebee's; grocery stores including but not limited to Smiths Food and Albertsons; clothing stores including but not limited to Carter's and Dress Barn; dental bills; mortgage payments; nanny payments; airline tickets; golfing; and others.

COUNT 11
COMMUNICATIONS FRAUD, a second degree felony
Frederick Garcia

53. In the latter part of 2006, Fred Garcia, in Phoenix, Arizona, had a commercial project in Sonora, Mexico for which he was seeking a loan in the amount of \$2.8 million. He went to J.C. But'ierries at Kokopelli Mortgage seeking funding. But'ierries referred him to PLGI in Utah.

54. Guzman provided Garcia with a list of information they would need to process his loan request. He was also told he had to pay a \$20,000 fee to cover the necessary due diligence for

securing the loan. Garcia provided all the information requested and wired the due diligence fee to PLGI per the wiring instructions provided by Guzman. He was provided a Letter of Intent, which Garcia signed on February 21, 2007.

55. After signing the agreement and wiring the due diligence fee, Garcia heard nothing from PLGI. Nor would anyone from PLGI respond to his calls to them. J. C. But'ierries also made many unsuccessful attempts to get a response. Finally, after about three months, But'ierries was able to establish a conference call involving himself, Garcia, and Pacific Guzman. Guzman claimed he was still working on securing Garcia's loan, but would give no more specifics. Shortly after this call, attempts to call the PLGI telephone number produced the message that incoming calls were not being accepted.

56. After five months with no contact, Garcia had his attorney write a letter to Guzman. Guzman did not respond to the letter. As a result of not getting the loan he needed, Garcia lost his project in Mexico.

57. Garcia has asked Guzman to refund his fees, but has received nothing.

58. Guzman did not tell Garcia about his criminal convictions, civil judgments and bankruptcy filings prior to Garcia paying the advance fee.

59. Guzman did not tell Garcia that he had failed to fund Hansen, Holman, Jarrett, Fielding and Rauch within the time frame specified and failed to refund any portion of their advance fees.

COUNT 12
THEFT, a second degree felony
Frederick Garcia

60. Pacific Lending bank records show Garcia's fee was deposited to the 567 account on

February 26, 2007, bringing the account balance to \$42,144.00. Another deposit of \$15,000 was made on February 27, 2007. On February 28, 2007, \$45,000 was transferred to the 377 account. The only deposits to the 377 account after this transfer were three interest payments. All expenditures from the 377 account until it was closed on May 1, 2007, were ATM withdrawals of cash and transfers to the 646 account.

61. Expenditures from the 646 account after the date of Garcia's fee payment include eating establishments including but not limited to Rock Creek Pizza, McDonald's, Denny's, Applebee's; grocery stores including but not limited to Smiths Food and Albertsons; clothing stores including but not limited to Carter's and Dress Barn; dental bills; mortgage payments; nanny payments; airline tickets; golfing; and others.

COUNT 13
COMMUNICATIONS FRAUD, a second degree felony
Susan Hensley

62. Susan Hensley, in Springfield, Oregon, was seeking funding to purchase a residential care facility. Her brokers located PLGI, in Utah, to secure the funding for the project. PLGI appeared to have the most flexibility and best rates for the funding she was seeking.

63. Prior to entering into an agreement with PLGI, there was a conference call to discuss the terms for obtaining the loan. Parties involved in the conference call were Hensley, her husband, her real estate broker, her mortgage broker and Pacific Guzman. During this call Hensley specifically asked Guzman if there were any up front fees. Guzman told her there were not.

64. When Hensley received the term sheet which included a \$10,000 due diligence fee, she consulted her real estate broker. The real estate broker did some checking and determined that due

diligence fees are common for commercial loans, so on February 23, 2007, Hensley signed the term sheet and wired the fee per the instructions provided with the term sheet.

65. After signing and returning the term sheet and paying the fee, it became almost impossible to get any communication from either Pacific Guzman or Roman Guzman, who was also involved with the loan. Hensley corresponded with the Guzmans mostly by email, as she wanted documentation of what was transpiring. Most of the emails were not answered.

66. The term sheet specified the loan was to close in 45 to 60 days. When after 60 days Hensley had not heard anything about closing, she called and talked to Pacific Guzman. When she asked why the loan was not closing in the time frame indicated in the term sheet, Guzman became belligerent and stated there was a provision in fine print in the term sheet which gave PLGI an additional 45 to 60 days if they ran into problems. Since Hensley did not have the term sheet in front of her during this conversation, she could not challenge the statement.

67. Hensley concluded this conversation by telling Guzman she no longer trusted him and was cancelling the agreement. She further demanded the refund of 50% of the due diligence fee as specified in the term sheet. Guzman responded that the term sheet gave him 45 to 60 days to refund the fee. Again, without the term sheet in front of her, Hensley could not challenge this second lie.

68. Hensley has not received the refund. She has sent several emails to Pacific Guzman asking when she can expect it. None of these emails have been answered.

69. Guzman did not tell Hensley about his criminal convictions, civil judgments and bankruptcy filings prior to Hensley paying the advance fee.

70. Guzman did not tell Hensley that he had failed to fund Hansen, Holman, Jarrett, Fielding,

Rauch and Garcia within the time frame specified and failed to refund any portion of their advance fees.

COUNT 14
THEFT, a second degree felony
Susan Hensley

71. Pacific Lending bank records show Hensley's fee was deposited to the 567 account on February 23, 2007, bringing the account balance to \$22,144.00. Garcia's deposit of \$20,000 was made on February 26, 2007 and another deposit of \$15,000 was made on February 27, 2007. On February 28, 2007, \$45,000 was transferred to the 377 account. The only deposits to the 377 account after this transfer were three interest payments. All expenditures from the 377 account until it was closed on May 1, 2007 were ATM withdrawals of cash and transfers to the 646 account.

72. Expenditures from the 646 account after the date of Garcia's fee payment include eating establishments including but not limited to Rock Creek Pizza, McDonald's, Denny's, Applebee's; grocery stores including but not limited to Smiths Food and Albertsons; clothing stores including but not limited to Carter's and Dress Barn; dental bills; mortgage payments; nanny payments; airline tickets; golfing; and others.

COUNT 15
PATTERN OF UNLAWFUL ACTIVITY,
a second degree felony

73. Commencing on or about July 2006, the defendant engaged in conduct which constituted the commission of at least three episodes of unlawful activity as defined in Utah Code Ann. § 76-10-1603. The defendant: (1) received proceeds derived, directly or indirectly, from a pattern of unlawful activity as more fully defined in Counts 1 through 14 above, in which he participated as

a principal, or he used or invested, directly or indirectly, any part of that income, or the proceeds of the income, or the proceeds derived from the investment or use of those proceeds, in the acquisition of any interest in, or establishment or operation of, any enterprise; (2) through a pattern of unlawful activity acquired or maintained, directly or indirectly, any interest in or control of any enterprise; or (3) was employed by, or associated with any enterprise and conducted or participated, whether directly or indirectly, in the conduct of that enterprise's affairs through a pattern of unlawful activity. The unlawful activity included three or more violations of communications fraud and/or theft. This is a violation of Utah Code Ann. § 76-10-1603(5), a second degree felony.

SUMMARY

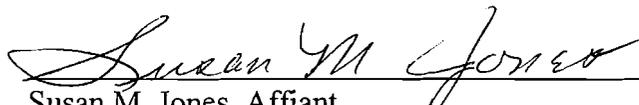
72. Based on my review of the evidence there is probable cause to believe that PACIFIC AARON GUZMAN has committed the crimes of:

COMMUNICATIONS FRAUD
a second degree felony, 7 counts

THEFT
a second degree felony, 7 counts

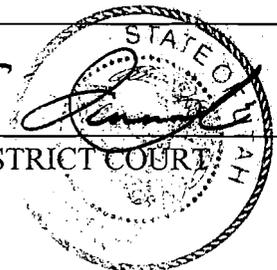
PATTERN OF UNLAWFUL ACTIVITY
a second degree felony, 1 count

DATED this 25th day of January, 2008.


Susan M. Jones, Affiant

SUBSCRIBED AND SWORN to before me on this 25
day of JAN., 2008.


JUDGE, THIRD DISTRICT COURT



E. NEAL GUNNARSON, Bar No. 1273
Assistant Attorney General
MARK L. SHURTLEFF, Bar No. 4666
Utah Attorney General
5272 South College Drive, #200
Murray, UT 84123
Telephone: (801) 281-1221
Facsimile: (801) 281-1224

JAN 5 1973
City Clerk

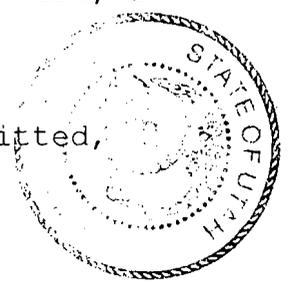
IN THE THIRD JUDICIAL DISTRICT COURT IN AND FOR
SALT LAKE COUNTY, STATE OF UTAH

THE STATE OF UTAH, : Bail \$ _____
 :
Plaintiff, :
 : **WARRANT OF ARREST**
vs. :
 :
PACIFIC AARON GUZMAN, : Case No 081900693
DOB: January 9, 1971 :
 : Judge _____
Defendant. :

THE STATE OF UTAH TO ANY PEACE OFFICER IN THE STATE OF UTAH,
GREETINGS:

An Information, upon oath, having been this day made before me by Investigator Susan Jones, and it appearing from the Information, or affidavit filed with the Information, that there is probable cause to believe that the public offense of:

Communications Fraud, a second degree felony, 7 counts; Theft, a second degree felony, 7 counts; and, Pattern of Unlawful Activity, a second degree felony, 1 count, has been committed,



and that the defendant, PACIFIC AARON GUZMAN, has committed these offenses,

YOU ARE THEREFORE COMMANDED to arrest the above named defendant forthwith and bring the defendant before this court, or before the nearest or most accessible magistrate for setting bail. If the defendant has fled justice, you shall pursue the defendant into any other county of this state and there arrest the defendant. The offenses listed above are felonies.

Bail is set in the amount of \$ ~~25,000~~ 25,000⁰⁰.

DATED this 25 day of JAN., 2008.


HONORABLE,
JUDGE, THIRD DISTRICT COURT

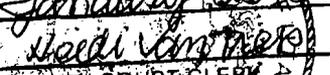


Defendant's Address:

986 North 1950 East
St. George, UT 84770

I CERTIFY THAT THIS IS A TRUE COPY OF AN ORIGINAL DOCUMENT FILED IN THE THIRD DISTRICT COURT STATE OF UTAH COUNTY, STATE OF UTAH.

DATE: January 25, 2008


DEPUTY COURT CLERK

