

FILED DISTRICT COURT
Third Judicial District

APR 28 2009

E. NEAL GUNNARSON, Bar No. 1273
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By YAN SALT LAKE COUNTY
Deputy Clerk

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

THE STATE OF UTAH, : Bail \$ _____
 :
 Plaintiff, :
 : **CRIMINAL INFORMATION**
 vs. :
 :
 DALE CLARK LLOYD, : Case No: 091903398
 DOB: September 22, 1960 :
 :
 Defendant. : Judge _____

The undersigned, JONATHAN STEWART, upon oath, states on information and belief
that the defendant has committed the following crimes:

SECURITIES FRAUD
or in the alternative
COMMUNICATIONS FRAUD
a second degree felony (1 count)

TAMPERING WITH A WITNESS
a third degree felony

COUNT 1
SECURITIES FRAUD
a second degree felony

Commencing on or about July 2007, in the State of Utah, County of Salt Lake, the defendant, in connection with the offer or sale of a security, directly or indirectly, to **Lauraulei Court**, made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or engaged in an act, practice, or course of business which operated or would operate as a fraud or deceit, in violation of Utah Code Ann. §§61-1-1 and 61-1-21. This violation is a second degree felony under Utah Law.

or in the alternative
COMMUNICATIONS FRAUD
a second degree felony

Commencing on or about July 2007, in the State of Utah, County of Salt Lake, and elsewhere, the defendant devised a scheme or artifice to defraud **Lauraulei Court**, 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, in violation of Utah Code Ann. § 76-10-1801 (1953 as amended). The total value of the property, money or thing obtained or sought to be obtained by the scheme or artifice was more than \$5,000.00, a second degree felony.

COUNT 2
TAMPERING WITH A WITNESS
a third degree felony

Commencing on or about May 2008, the defendant, believing that an official proceeding or investigation was pending or was about to be instituted, or with the intent to prevent an official proceeding or investigation, attempted to induce or otherwise cause **Laura lei Court**, to (a) testify or inform falsely; (b) withhold any testimony, information, document, or item; (c) elude legal process summoning him to provide evidence; or (d) absent himself from any proceeding or investigation to which he has been summoned. This is a violation of Utah Code Ann. § 76-8-508, a third degree felony.

DATED this 28 day of April, 2009.

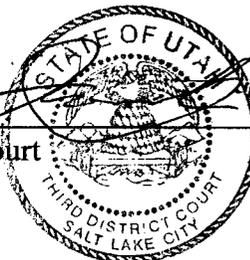


JONATHAN STEWART, Affiant

SUBSCRIBED AND SWORN to before me on this
28 day of April, 2009.



JUDGE, Third Judicial District Court



CERTIFY THAT THIS IS A TRUE COPY OF
AN ORIGINAL DOCUMENT ON FILE IN THE
THIRD DISTRICT COURT, SALT LAKE
COUNTY, STATE OF UTAH

DATE: April 28, 2009


DEPUTY COURT CLERK



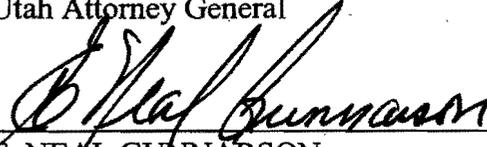
This CRIMINAL INFORMATION is based upon evidence from the following witnesses:

1. Lauralei Court

AUTHORIZED for presentment and filing this 23 day of April,
2009.

MARK L. SHURTLEFF
Utah Attorney General

By:



E. NEAL GUNNARSON
Assistant Attorney General

FILED DISTRICT COURT
Third Judicial District

APR 28 2009

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

THE STATE OF UTAH, :

Plaintiff, :

vs. :

DALE CLARK LLOYD :
DOB: September 22, 1960 :

Defendant. :

AFFIDAVIT OF PROBABLE CAUSE

Case No: 091903398

Judge _____

STATE OF UTAH)
 :ss
COUNTY OF SALT LAKE)

I, JONATHAN STEWART, being first duly sworn upon oath, depose and state as follows:

1. I 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 Utah Division of Consumer Protection as an investigator. I

hold a Bachelor of Science degree from the University of Utah in Sociology with a Certificate in Criminology. I am currently investigating possible violations of securities fraud and/or communications fraud statutes, tampering with witness, and related criminal code violations by DALE CLARK LLOYD.

2. The facts set forth in this affidavit are based upon the results of an investigation during which I have collected and reviewed records from one witness and other sources. I have received information from Lauraulei Court.

PARTIES

3. DALE CLARK LLOYD, at all pertinent times, resided in Salt Lake County, Utah and his last known address was 14020 S. Timber Ridge Drive, Draper, Utah 84020.

4. Utah court records reveal LLOYD was involved in civil proceedings in 2006, and in excess of \$3,600 in judgments were entered against LLOYD.

5. LLOYD filed for chapter 7 bankruptcy in June 2003.

BACKGROUND

6. LLOYD told Court if she gave him \$10,000 he would invest it for her in a REIT and after two years it would be worth \$60,000.

7. Court signed a \$10,000 check she received from the sale of her car over to LLOYD. In return for her investment she received a note dated 6/22/07 that bears the signature of LLOYD.

8. Although request has been made, Court has not received a return of her principal from LLOYD.

9. LLOYD misrepresented or omitted material facts to Court.

COUNT 1
SECURITIES FRAUD
or in the alternative
COMMUNICATIONS FRAUD,
a second degree felony

10. In July 2007, LLOYD offered Lauralei Court the opportunity to invest in a Real Estate Investment Trust ("REIT") in Cottonwood, Arizona with Cooper Lloyd Manhattan TX which is held by JP Morgan Chase. LLOYD gave Court no specific information about what Cooper Lloyd Manhattan TX was. During this time, Court was in the process of trading in her Honda at Dave Strong Porsche in Salt Lake. Rather than put the trade-in value of her car into a new car, Court opted to receive the difference in value (\$10,000) in the form of a check.

11. LLOYD suggested she sign the \$10,000 check over to him and he would invest her money in the aforementioned REIT. LLOYD represented to Court that if she invested the \$10,000 the note would mature in two years and be worth \$60,000 at maturity.

12. Based on LLOYD's representations, on or about June 22, 2007, Court invested with LLOYD by signing the check from Dave Strong Porsche payable to COURT in the amount of \$10,000 over to LLOYD. Court said she only authorized LLOYD to use the funds for the REIT they had discussed.

13. On June 22, 2007, in exchange for Court's \$10,000 investment, LLOYD gave Court a note that stated Court "places the sum of \$10,000 in trust to DALE C. LLOYD for the purpose of investment. The sum of \$10,000 is a secured position against real property located at 14020 Timber Ridge Dr., Draper, Utah 84020. Terms forthcoming." At the time of investment, LLOYD did not tell Court the status of the property, if he was current on his mortgage payments, or if the property was paid off.

14. In August, 2007 LLOYD told Court that her \$10,000 investment was not in her name, but was in his name. LLOYD told Court he matched her investment with \$10,000 of his own to increase the return.

15. In or about August 2007, Court requested LLOYD return her \$10,000. LLOYD told Court that her investment had a two year commitment and that if he withdrew the funds to repay her, he would be penalized. LLOYD told Court he would attempt to pay her out of his own pocket.

16. In November 28, 2007, LLOYD executed a Warranty Deed to convey and warrant title on his Draper Home to LLOYD and Court. The Warranty Deed was never recorded.

17. A May 29, 2008 search of the Salt Lake County Recorder's website revealed there are no documents filed with the Recorder's office evidencing that Court has an interest in LLOYD's property. Furthermore, the Salt Lake County Recorder's website revealed that LLOYD's property was under foreclosure.

18. Prior to accepting investor funds, LLOYD directly or indirectly misrepresented material facts in discussions with Court including, but not limited to:

- a. Court's \$10,000 investment would be secured by LLOYD's Draper property;
- b. Court's \$10,000 would be worth \$60,000 in two years.

19. Prior to accepting investor funds, LLOYD directly or indirectly omitted material facts in discussions with Court including, but not limited to:

- a. LLOYD would invest Court's \$10,000 with his own \$10,000;
- b. LLOYD did not provide Court with any of the information normally found in a prospectus or offering document even though LLOYD asked for a prospectus on two occasions;
- c. LLOYD failed to disclose to Court that two civil judgments totaling over \$3,600 had been issued against him in Third District Court;
- d. LLOYD failed to disclose to Court he had filed for bankruptcy in 2003;
- e. LLOYD failed to disclose the status of the property he was offering as collateral;
- f. LLOYD failed to disclose specific information about Cooper Lloyd Manhattan TX.

**COUNT 2
TAMPERING WITH WITNESS**

20. After the Division of Securities contacted LLOYD to request his side of the story and evidence that the note was secured by his property, LLOYD emailed Court, stating he would settle the matter with her, but she had to make the Division drop its investigation. On May 14, 2008, LLOYD e-mailed Court stating:

The delay is not in putting the deal together, it is with [the Utah Division of Securities]. I am ready to settle this but [the Utah Division of Securities] still has some concerns. While I do not want this to become a court issue it could infact [sic] become that this is regrettable for both you and I. I am planning on having [the Utah Division of Securities] and my legal counsel speak and based on that we can proceed. I recommend you contact [the Utah Division of Securities] and let [the Utah Division of Securities] know you are wanting to move on and settle this and see if [the Utah Division of Securities] will drop this.

21. On May 28, 2008, Court e-mailed the Division a payment plan that LLOYD had prepared. Under the plan, LLOYD would pay her a total of \$13,000 at the rate of \$1,000 per month starting on August 4, 2008. LLOYD writes that the payment plan is contingent upon Court "getting [the Utah Division of Securities] to notify [LLOYD] that you and I have resolved this issue." LLOYD further states, "[y]ou will remain on the title to my home until payments are complete with the exception of the home selling (it is currently on the market). At that point, you will sign off at closing and receive the balance at closing."

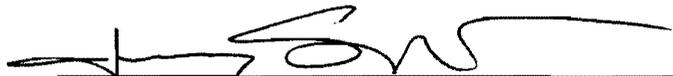
SUMMARY

Based upon my review of the evidence there is probable cause to believe that LLOYD committed the crimes of:

SECURITIES FRAUD
or in the alternative
COMMUNICATIONS FRAUD,
a second degree felony, 1 count

TAMPERING WITH WITNESS
a third degree felony, 1 count

DATED this 28 day of April, 2009.



JONATHAN STEWART, Affiant

SUBSCRIBED AND SWORN before me this 28
day of April, 2009.



JUDGE, THIRD DISTRICT COURT

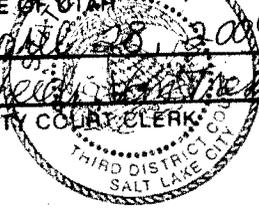


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COUNTY, STATE OF UTAH

DATE: April 28, 2009



DEPUTY COURT CLERK



FILED DISTRICT COURT
Third Judicial District

APR 28 2009

By YN 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, : Bail \$ _____
 :
Plaintiff, :
 :
vs. : **WARRANT OF ARREST**
 :
 :
DALE CLARK LLOYD, : Case No: 091903398
DOB: September 22, 1960 :
 :
Defendant. : Judge: _____

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 Jonathan Stewart, and it appearing from the Information, or affidavit filed with the Information, that there is probable cause to believe that the public offense(s) of: **Securities Fraud (or in the alternative Communications Fraud, a second degree felony, 1 count; and, Tampering With**

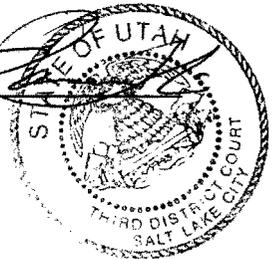
a Witness, a third degree felony, 1 count, has been committed, and that the defendant, DALE CLARK LLOYD, has committed these offenses,

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 \$ 10,000^a.

DATED this 28 day of April, 2009.


HONORABLE,
JUDGE, THIRD DISTRICT COURT



Defendant's Last Known Address:

14020 South Timber Ridge Drive
Draper, UT 84020

I CERTIFY THAT THIS IS A TRUE COPY OF AN ORIGINAL DOCUMENT ON FILE IN THE THIRD DISTRICT COURT, SALT LAKE COUNTY, STATE OF UTAH

DATE:

April 28, 2009
Nikki Van Dyke
DEPUTY COURT CLERK

