

FILED
THIRD DISTRICT COURT
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SALT LAKE DEPARTMENT
BY _____
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. :
 :
 ANTHONY J. BURNS : Case No: 101905324
 DOB: December 14, 1969 :
 : Judge: _____
 Defendant. :

STATE OF UTAH)
 :ss
COUNTY OF SALT LAKE)

I, JEFFERY NIELSEN, being first duly sworn upon oath, depose and state as follows:

1. I am currently employed as a full time investigator with the Utah Division of Securities following my completion of an internship with the Division during the Spring/Summer of 2006, and a contract position with the Division from May 2006 through July 2007. I graduated from the University of Utah with a degree in Sociology and a minor in Middle

Eastern studies in Spring 2008. I am currently investigating possible violations of securities fraud statutes and related criminal code violations by ANTHONY BURNS.

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 witnesses and other sources. I have received information from Matt Parsons, Brenden White, Michael Griffeth, Jon Heitzman, Brett Benard, and others.

PARTIES

3. ANTHONY J. BURNS, at all pertinent times, resided in both Idaho and Utah. BURNS' last known address is 512 Sunset Dr., Trafford, PA 15085. BURNS has never held a securities license.
4. Burns & Burns Associates, Inc. (B&B) registered with the Idaho Secretary of State on November 1, 2004. Anthony J. Burns was listed as Incorporator and President. Burns' wife, Loriann Burns (LA), was listed as Registered Agent, Secretary, and Incorporator. B&B's status is dissolved as of August 10, 2007. B&B is not registered with the Utah Division of Corporations. B&B has never held any securities licenses, nor has B&B made any filings with the Utah Division of Securities.
5. Southern Idaho Vision Alliance, PLLC, (SIVA) registered with the Idaho Secretary of State on August 15, 2003, and is an existing company as of June 23, 2010. Jon Heitzman is listed as the Registered Agent, President, and Member.

BACKGROUND

6. Burns offered an investment opportunity to a few associates starting in or about March 2006. Burns said he was putting together a lease deal, whereby Burns was raising funds to purchase 10 lanes of ophthalmic equipment,¹ which Burns would subsequently lease to an optometrist in Idaho. Burns said the optometrist would pay about \$600 per month per lane leased, which would be provided to the investors whose funds had purchased each lane. The offering of profit in return for the use of another person's funds could be an investment contract. Investment contracts are securities as defined by Utah Code Annotated §61-1-13.
7. Burns provided some of the investors with copies of the lease documents and other related documents. Some of the documents represent the lease deal was between B&B and SIVA. According to SIVA's owner, SIVA never had any lease deal with B&B.
8. Burns provided one of the investors with a copy of a lease agreement between B&B and Christine LeDeux, PLLC, when in fact, there is not a Christine LeDeux PLLC registered in either Idaho or Utah.
9. Prior to any investments, Burns did not provide investors with the information ordinarily provided in a prospectus, including but not limited to: financial statements, descriptions

¹One lane is one exam room worth of ophthalmic equipment. A lane generally consists of a chair, stand, phoropter/refractor, foot lamp, and a projector/projection system.

of the backgrounds of the company officers and directors, a list of the risk factors relating to the investment, and a discussion of the company's business operations.

10. Burns did not disclose other material facts to investors, including but not limited to: Burns did not discuss suitability factors for the investment; Burns did not discuss if investors could afford to lose their investment funds; Burns did not disclose how he would be compensated for selling the securities; Burns did not discuss who would be on title to the lanes; Burns did not discuss what would happen if Burns could not raise enough funds to purchase and lease all 10 lanes to the optometrist; Burns did not discuss where the lanes would be held; Burns did not provide any equipment serial numbers to investors; Burns did not discuss what would occur if the optometrist was unable to purchase the lanes; Burns failed to disclose how many other investors were involved; Burns failed to disclose the amount of funds he had raised; Burns did not discuss why lease documents mention Christine LeDeux, while the assignment documents mention SIVA; Burns failed to disclose he had not used all previous investor funds to purchase lanes; Burns did not discuss how he would cover the funding; Burns did not disclose if the investment contracts offered were registered or exempt from registration; and, Burns did not say if he was licensed to sell securities.

11. Burns collected about \$95,000 from at least three investors. Records show Burns paid investors about \$11,400 in interest payments through January 2007. Investors are still owed about \$83,600 in principal alone.

COUNT 1
SECURITIES FRAUD, a second degree felony
(Michael Griffeth)

12. Michael Griffeth said Burns contacted him regarding an investment opportunity between or about March and May 2006. Griffeth said he and Burns had multiple discussions regarding the investment over a period of a few weeks in person at Griffeth's office in Tooele, Utah.
13. During the conversations, Burns said he had a deal with a lady in Idaho who was an optometrist looking to obtain 10 lanes of ophthalmic equipment for some clinics. Burns said the optometrist did not have the capital to purchase the equipment, so the optometrist was looking to lease the lanes for up to a year. Burns said he had access to 10 lanes, and was raising funds to purchase the 10 lanes for the lease. Burns said investors needed to invest \$15,000 for each lane, but Burns would accept as much as the investor could invest. Burns said the lanes would be collateral for the investment, but Burns did not discuss who would be on title to the lanes.
14. Burns said the optometrist would try to finance the purchase of all 10 lanes by the end of the lease period. Burns said investors would get their principal back once the optometrist

purchased the lanes. Burns did not discuss what would occur if the optometrist was unable to purchase the lanes.

15. Burns said the optometrist was going to pay about \$400 per month per lane leased, which would be paid to the investor who invested the money for the lane. Griffeth said Burns talked about the deal being an “excellent” investment. Griffeth said he thought he remembered Burns was going to invest some of his own funds as well. Griffeth told Burns he was interested in investing \$35,000.
16. Griffeth said Burns showed him a copy of the lease contract, which Griffeth was able to review prior to investing, but Griffeth did not receive a copy for his records. Griffeth said he could not remember the names or companies involved with the lease.
17. Based on Burns’ representations, Griffeth invested by giving LA a \$15,000 check made payable to LA on or about May 25, 2006. Griffeth said he was unsure if he mailed the check to LA, or if either Burns or LA picked up the check from Griffeth’s office. Griffeth said he also gave Burns a \$20,000 check made payable to B&B on or about July 20, 2006. Griffeth said Burns may have picked up the \$20,000 check from Griffeth’s office. Griffeth said neither of his checks were to purchase any ophthalmic equipment for his own practice. Griffeth said he and Burns did not discuss using Griffeth’s funds for any other purpose than to purchase lanes of ophthalmic equipment, so Griffeth would not have authorized the use of his funds for any other purpose.

18. Prior to the investments, Burns failed to provide Griffeth with any disclosure documents. Burns also failed to provide some of the information found in paragraphs 9 and 10 of this affidavit.
19. Bank records show Griffeth's \$15,000 was deposited into B&B's Wells Fargo Bank account on or about May 24, 2006, bringing the balance to \$15,028.97. According to a first in first out analysis of the records, the \$15,000 was used in the following manner: \$171.03 in payments to LA, \$31.80 in bank fees, \$2,000 to American Express, \$1,500 transferred to Burns Properties, LLC, \$4,500 transferred to Burns' personal account, \$5,000 paid to LA's brother, David Skalka, \$321.69 paid to insurance companies, \$20 paid to Tek Hut, \$78.81 paid to Cable One, and \$1,376.67 paid to wireless companies.
20. Bank records show Griffeth's \$20,000 was part of a \$27,500 deposit into B&B's Wells Fargo Bank account on or about July 20, 2006, bringing the account balance to \$26,430.51. A first in first out analysis of the records shows the \$27,500 was used in the following manner: \$1,069.49 was used to cover a negative balance, \$66 in bank fees, a \$2,000 rent payment, \$1,865.80 paid to credit card companies, \$1,498.71 paid to an unrelated individual, and \$21,000 paid to Wasatch Ophthalmic Instruments. According to an invoice provided by Wasatch Ophthalmic Instruments, the \$21,000 was used as a payment to purchase three lanes of ophthalmic equipment.

21. Griffeth said he received about \$3,000 from Burns on his investment between August 2006 and February 2007. Griffeth said he did not track payments very closely at the time, but later noticed missing monthly payments. Griffeth asked Burns and LA about the missing payments. Griffeth said both Burns and LA were apologetic about the payments, but never explained the delinquencies. Griffeth said he had contact with investors Brenden White and Matt Parsons soon thereafter. Griffeth said he, White, and Parsons learned about inconsistencies with their investments, including false names used in the lease contract, so they and two other investors retained an attorney in or about the beginning of 2007.
22. Griffeth said he, White, and Parsons met with Burns at Parsons' office in Provo, Utah, in or about May 2007. Griffeth said he, White, and Parsons confronted Burns about the lease deal. Griffeth said Burns was very apologetic and said he would work to pay back the funds. Burns said he had made some "dumb" decisions and needed money when he collected the investment funds. Burns said he used the investments to pay off other debts. Griffeth said he did not recall if Burns admitted the lease deal was fraudulent. Burns discussed paying Griffeth, White, and Parsons a certain amount per month to pay back the investment principal. Burns also discussed another investment opportunity involving a record deal in Nashville, which Burns could use to pay back Griffeth, White, and Parsons.

Griffeth, White, and Parsons told Burns they would give Burns 90 days to come up with a plan to pay back the money.

23. Griffeth said he has not received any other funds to date, and he last had contact with Burns and LA in or about March 2008.

COUNT 2
SECURITIES FRAUD, a second degree felony
(Matthew Parsons)

24. Parsons said Burns told him about an investment opportunity in person at a hospital in Mt. Pleasant, Utah, on or about July 15, 2006. Parsons said he and Burns had a couple of subsequent telephone conversations about the investment over a couple week period of time while Parsons was at his office in Provo, Utah.
25. During the conversations, Burns said he was working on a deal to lease a maximum of 10 lanes of ophthalmic equipment to an optometrist in Idaho because the optometrist could not purchase the equipment. Burns said he would use investment funds to purchase the lanes for the lease, and a \$15,000 minimum investment was needed for each lane. Burns said he would provide Parsons with descriptions and serial numbers for the lanes Parsons' funds purchased. Burns said Parsons would earn \$600 per month in profit for each lane his investment funds purchased.
26. Burns said the lease was for six to 12 months, at which time the optometrist would try financing the purchase of the lanes. Burns said Parsons' principal would be repaid once

the optometrist received the financing. Burns said if the optometrist did not obtain the financing, Parsons would own the lanes his funds had purchased. Parsons discussed investing \$30,000 for two lanes.

27. Burns said Parsons “did not need to worry” about the deal, because Parsons’ business with Burns was worth 10 times what Parsons’ investment was worth to Burns. Burns also said he would not do anything to jeopardize their business relationship. Burns said he could cover the funding if needed, but Burns did not discuss how he would cover the funding. Parsons said Burns did not provide any documents during the initial meeting.
28. In or about July 2006, Parsons learned other ophthalmologists and optometrists had invested with Burns, including Griffeth. Parson said he contacted Griffeth to see what Griffeth thought of Burns’ investment.
29. On or about July 26, 2006, Burns sent Parsons an email with three documents attached. The first document was a copy of a lease agreement between B&B and SIVA for 10 lanes. The second document is an exhibit list of the lanes, and the last document, entitled *Assignment of Lease*, assigns Parsons all rights from the B&B/SIVA lease.
30. On or about July 31, 2006, Burns and Parsons signed a copy of the *Assignment of Lease* while Parsons and Burns were in either Gunnison, Utah, or Mt. Pleasant, Utah. Based on Burns’ representations, Parsons invested by giving Burns a \$30,000 personal check in person while at the hospital in Mt. Pleasant, Utah, on or about August 1, 2006. Parsons

said he and Burns did not discuss using Parsons' funds for any other purpose than to purchase the lanes of ophthalmic equipment, so Parsons would not have authorized the use of his funds for any other purpose.

31. Prior to the investment, Burns failed to provide Parsons with any disclosure documents. Burns also failed to provide some of the information found in paragraphs 9 and 10 of this affidavit.
32. On or about August 26, 2006, Burns emailed a copy of the *Assignment of Lease* with serial numbers for the equipment assigned to Parsons, as well as an address where the lanes were located. Parsons said he never verified if the equipment was at the location Burns represented. Some of the serial numbers provided on Parsons' *Assignment of Lease* match serial numbers on the Wasatch Ophthalmic Instruments invoice which some of Griffeth's money may have been used to purchase as described previously.
33. Parsons said within a few weeks of investing, Burns provided Parsons with a copy of a lease agreement showing Christine LeDeux, PLLC, as the lessee instead of SIVA. Burns said LeDeux was the optometrist he had mentioned before Parsons invested.
34. Between about September and November 2006, Burns paid Parsons three monthly payments of \$1,200. In or about November 2006, Parsons had trouble contacting Burns, but was able to contact LA, who was very vague about Burns. Parsons said one of the other investors traveled to Idaho at about this same time and learned the lanes were not at

the locations Burns had represented. Parsons said he and the other investors started to question the veracity of the investment.

35. In or about November 2006, Parsons, White, Griffeth, and two other investors retained an attorney to get their funds back from Burns. The attorney sent Burns a letter notifying Burns of possible securities fraud violations and the attorney tried getting Burns to sign a payment settlement. Burns later signed a promissory note for Parsons and paid Parsons \$1,200 in or about January 2007.
36. On or about May 31, 2007, Parsons, Griffeth, and White met with Burns at Parsons' office, located in Provo, Utah. During the meeting, Burns said his intent was to do the lease deal, but there was no lease deal or equipment. Burns said he used the investment funds for other purposes, but Burns did not intend to steal the money. Burns said he expected to receive funds from other sources to pay the investment funds back to Parsons and the others. Burns also said he had been in drug rehab. Parsons, Griffeth, and White agreed to give Burns six months before coming up with a repayment plan and resuming payments, and Parsons requested updates from Burns every 30 days.
37. Parsons said Burns never contacted him to give progress reports after the meeting. Parsons said he has not had contact with either LA or Burns since about November 2007.

COUNT 3
THEFT, a second degree felony
(Matthew Parsons)

38. Burns represented to Parsons that he would use Parsons' funds to purchase the lanes for the lease. Bank records show Parsons' \$30,000 was deposited into B&B's Wells Fargo Bank account on or about August 1, 2006, bringing the account balance to \$30,022.80. A first in first out analysis of the records shows the \$30,000 was used in the following manner: \$14.90 in bank fees, \$430 paid to an unrelated individual, \$1,447.30 paid to WA Federal Savings, a \$2,939.75 installment loan account payment, \$725.55 paid to Countrywide Mortgage, \$250 paid to LA, a \$4,563.28 mortgage payment, \$5,575.16 paid to Visa, \$11,868.56 paid to Salt Lake Schools Credit Union, and \$2,185.50 paid to "SPA."
39. Parsons authorized Burns to use the funds to purchase the lanes for the lease. Parsons did not authorize his funds to be used for any other purpose.
40. Burns obtained money from Parsons and exercised unauthorized control of the money with the purpose to deprive him thereof.

COUNT 4
SECURITIES FRAUD, a second degree felony
(Brenden White)

41. White said he has known Burns for about 10 years and has purchased ophthalmic equipment from B&B during that time period. On or before July 19, 2006, Burns contacted White by telephone while White was at Yuba Reservoir, located in the counties

of Juab and Sanpete in Utah. White said he and Burns also had minor discussions in a couple of subsequent telephone calls while White was in Salt Lake County, Utah.

42. During the conversations, Burns said he had come across a good deal he could handle by himself, but Burns wanted to get his friends and associates involved as well. Burns said he was working on a deal with an optometrist in Idaho named Christine LeDeux whereby B&B would lease 10 lanes of ophthalmic equipment to LeDeux. Burns said the lease was for six months with an option to extend for an additional six months. Burns said LeDeux was unable to purchase the lanes at the time, but would obtain financing to purchase the lanes prior to the end of the lease period.
43. Burns said he would use the invested funds to purchase the lanes, and Burns was looking for people to invest \$15,000 for each lane to be leased. Burns said LeDeux would pay \$600 per month per lane leased, which would be paid to the investors. Burns said he would also provide the investor with a list of serial numbers for each lane leased. Burns said investors would get their principal back once LeDeux purchased the lanes. Burns said investors would own the lanes if the lease did not occur or if LeDeux was unable to purchase the equipment at the end of the lease. White said Burns may have said the deal was low risk, but Burns did say the investment was “a deal we can’t lose on.”
44. White told Burns he would consider investing \$30,000 for two lanes, but he wanted to see the lease contract. On or about July 19, 2006, Burns sent White a copy of the lease

contract between B&B and LeDeux. On or about July 26, 2006, Burns sent White a different copy of the B&B/LeDeux lease agreement along with an assignment of lease and an exhibit list. The exhibit list shows the equipment included with each lane and the assignment of lease states B&B would assign White all rights, title, and interest in the lanes and entitlement to the monthly lease payments due under the lease. The assignment document does not contain serial numbers for the equipment, and the assignment references a lease between B&B and SIVA, not B&B and LeDeux. White said Burns did not discuss why the lease mentions LeDeux, while the assignment mentions SIVA.

45. Based on Burns' representations, White invested by giving Burns a \$30,000 check made payable to B&B on or about August 28, 2006. White said he gave the check to LA in person at White's office, located in Sandy, Utah. White said some of his investment funds came from home equity, which White told Burns would cause a delay in obtaining the funds. Burns did not provide White with any signed documents in return for the funds. White said he and Burns did not discuss using White's funds for any other purpose than to purchase ophthalmic equipment, so White would not have authorized the use of his funds for any other purpose. Prior to the investment, Burns failed to provide White with some of the information normally provided in disclosure documents.

46. Prior to the investment, Burns failed to provide White with any disclosure documents. Burns also failed to provide some of the information found in paragraphs 9 and 10 of this affidavit.
47. After the investment, Burns paid the September and October 2006 monthly lease payments to White. White said Burns stopped making payments after the October 2006 payment was made. White said he began to research the lease at about this time, and White was unable to find LeDeux in Idaho. White said he also contacted SIVA's owner/registered agent, Jon Heitzman. Heitzman said he did not know LeDeux, and was unaware of any lease involving B&B.
48. In or about November 2006, White, Parsons, Griffeth, Brett Benard, and Jake Hayes retained an attorney, who sent Burns a letter requesting investor funds to be returned and to notify Burns his conduct constituted a violation of the securities fraud provisions. Soon after, White met with Burns in Salt Lake City, Utah. Burns said the lease had fallen through because LeDeux had moved and decided not to lease the lanes. Burns said he assumed the investors wanted Burns to invest the money elsewhere, and Burns said he felt obligated to provide an equal amount of profit as was offered by the lease. White said he had difficulty contacting Burns after this meeting.

49. In or about December 2006, White and the other investors, through the attorney, received a promissory note from Burns, and White received an additional payment from Burns. It appears both Burns and LA signed White's promissory note.
50. On or about May 31, 2007, White, Parsons, and Griffeth met with Burns at Parson's office. White said he, Parsons, and Griffeth agreed to give Burns six months to pay back their funds before moving forward with any actions. Burns said he was working on a new investment deal with Alice Cooper and the Huntsman family, which would generate enough funds to pay back White, Parsons, and Griffeth. White said he did not recall if Burns admitted the lease deal was fraudulent.
51. White said he has not been able to contact either Burns or LA since about December 2007, and Burns has not made any additional payments on the investment since the payment made through White's attorney in or about December 2006.

COUNT 5
THEFT, a second degree felony
(Brenden White)

52. Burns represented to White that he would use White's funds to purchase ophthalmic equipment for the lease. Bank records show White's \$30,000 was deposited into B&B's Wells Fargo Bank account on or about August 28, 2006, bringing the account balance to \$45,740.50. A first in first out analysis of the records shows the \$30,000 was used in the

following manner: \$17,050.98 paid to Middlekauff Ford and \$12,949.02 paid to Southern Idaho RV and Marine.

53. White authorized Burns to use the funds to purchase ophthalmic equipment. White did not authorize his funds to be used for any other purpose.
54. Burns obtained money from White and exercised unauthorized control of the money with the purpose to deprive him thereof.

COUNT 6
PATTERN OF UNLAWFUL ACTIVITY
a second degree felony

55. Commencing in or about March 2006, Burns engaged in conduct which constituted the commission of at least three episodes of unlawful activity as defined in Utah Code Ann. §76-10-1603. Burns: (1) received proceeds derived, directly or indirectly, from a pattern of unlawful activity as more fully defined in Counts 1 through 5 above, in which Burns participated as principal, or used or invested, directly or indirectly, any part of that 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 securities fraud. This is a violation of Utah Code Ann. §76-10-1603, a second degree felony.

SUMMARY

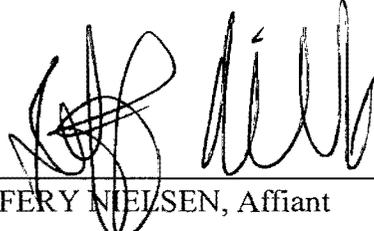
56. Based on my review of the evidence, there is probable cause to believe that Burns committed the crimes of:

SECURITIES FRAUD
a second degree felony, 3 counts

THEFT
a second degree felony, 2 counts

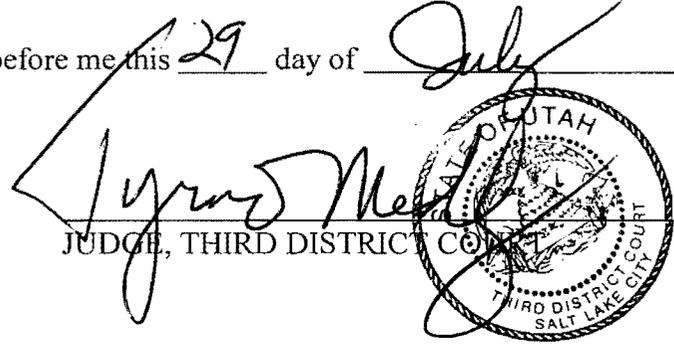
PATTERN OF UNLAWFUL ACTIVITY
a second degree felony, 1 count

DATED this 29 day of July, 2010.



JEFFERY NIELSEN, Affiant

SUBSCRIBED AND SWORN before me this 29 day of July, 2010.



JUDGE, THIRD DISTRICT COURT



COUNT 1
SECURITIES FRAUD
a second degree felony

Commencing on or about March 2006, in the State of Utah, Salt Lake County and elsewhere, the defendant, in connection with the offer or sale of a security, directly or indirectly, to **MICHAEL GRIFFETH**, 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.

COUNT 2
SECURITIES FRAUD
a second degree felony

Commencing on or about July 2006, in the State of Utah, Salt Lake County and elsewhere, the defendant, in connection with the offer or sale of a security, directly or indirectly, to **MATTHEW PARSONS**, 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.

COUNT 3
THEFT
a second degree felony

From on or about August 2006, the defendant obtained or exercised unauthorized control over the property of **MATTHEW PARSONS**, 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 4
SECURITIES FRAUD
a second degree felony

Commencing on or about July 2006, in the State of Utah, Salt Lake County and elsewhere, the defendant, in connection with the offer or sale of a security, directly or indirectly, to **BRENDEN WHITE**, 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.

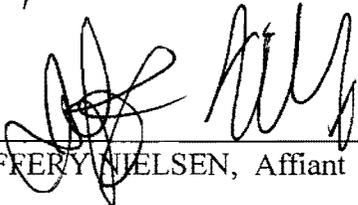
COUNT 5
THEFT
a second degree felony

From on or about August 2006, the defendant obtained or exercised unauthorized control over the property of **BRENDEN WHITE**, 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 6
PATTERN OF UNLAWFUL ACTIVITY
a second degree felony

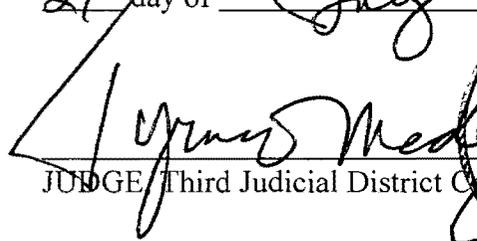
Commencing on or about March 2006, the defendant has engaged in conduct which constituted the commission of at least three episodes of unlawful activity as defined in Utah Code Ann. § 76-10-1601. The defendant: (1) received proceeds derived, directly or indirectly, from a pattern of unlawful activity as more fully defined in Counts 1 through 5 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 securities 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 29 day of July, 2010.

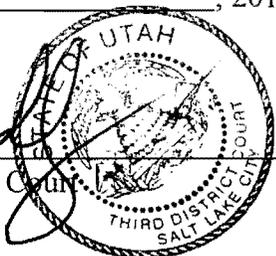


JEFFERY NIELSEN, Affiant

SUBSCRIBED AND SWORN to before me on this 29 day of July, 2010.



JUDGE, Third Judicial District Court



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

1. Matt Parsons
2. Brenden White
3. Michael Griffeth
4. Jon Heitzman
5. Brett Benard
6. And Others.

AUTHORIZED for presentment and filing this 29th day of July,
2010.

MARK L. SHURTLEFF
Utah Attorney General

By: Charlene Barlow
CHARLENE BARLOW
Assistant Attorney General

FILED
THIRD DISTRICT COURT
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SALT LAKE DEPARTMENT
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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, :
 : **WARRANT OF ARREST**
 vs. :
 :
 ANTHONY J. BURNS, : Case No: 101905324
 DOB: December 14, 1969 :
 : 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 Jeffery Nielsen, 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, a second degree felony, 3 counts; Theft, a second degree felony, 2 counts; and, Pattern of Unlawful Activity**



a second degree felony, 1 count, has been committed, and that the defendant, ANTHONY J. BURNS, 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 \$ 100,000.

DATED this 29 day of July, 2010.

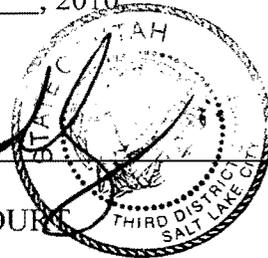
I CERTIFY THAT THIS IS A TRUE COPY OF AN ORIGINAL DOCUMENT ON FILE IN THE THIRD DISTRICT COURT, SALT LAKE COUNTY, STATE OF UTAH.

DATE: July 29, 2010

DEPUTY COURT CLERK



HONORABLE,
JUDGE, THIRD DISTRICT COURT



Defendant's Last Known Address:

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