

**FILED DISTRICT COURT**  
Third Judicial District

JUL 26 2007

By KA / SALT LAKE COUNTY  
Deputy Clerk

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

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THE STATE OF UTAH, :  
 :  
 Plaintiff, : **AFFIDAVIT OF PROBABLE CAUSE**  
 :  
 vs. :  
 :  
 JOSEPH PAUL OTTIS : Case No: 071905304  
 DOB: July 13, 1945 :  
 : Judge \_\_\_\_\_  
 Defendant. :

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STATE OF UTAH )  
 :ss  
 COUNTY OF SALT LAKE )

I, JILL HOWE, 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. I graduated from the University of Utah where I obtained a Bachelor's degree in Sociology, and a certificate in criminology/corrections. I am currently investigating possible violations of securities fraud statutes and related criminal code violations by

JOSEPH PAUL OTTIS.

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 interviewed the following individuals: Diane Lind.

**PARTIES**

3. JOSEPH PAUL OTTIS, at all pertinent times, resided at 150 1<sup>st</sup> Avenue, Apt. 606, Salt Lake City, Utah 84103.

4. Globie International, LLC ("Globie") was registered as a Utah Limited Liability Company on September 24, 2003. The corporation expired on January 6, 2005 after failing to file a renewal. Joseph Paul Ottis is listed as the sole manager and member of Globie.

**BACKGROUND**

5. Commencing in January 2005, Joseph Paul Ottis offered or sold an investment to at least one investor in the state of Utah and collected \$180,000. The individual solicited to invest is Diane Lind, who is Ottis' neighbor. When Ottis approached Lind in Salt Lake City, Utah, Ottis stated he had a company called Globie, which was in the business of educating children about the planets, preserving the earth, finding missing children and assisting battered women. Ottis said he had worked on developing the Globie characters for seven years and they would soon be used to create a wholesome television show for children. Ottis said he needed money for travel expenses and to launch the production of Globie's television show. Ottis told Lind there was no risk and that her investment would be guaranteed by Ottis' assets and insurance. Ottis told Lind the investment

would provide 10-20% annual interest and Lind would also receive 2% of Globie's profits.

### SECURITIES FRAUD

6. My investigation has revealed that JOSEPH PAUL OTTIS offered or sold investments in Globie International, LLC to at least one investor. The transactions cited above involve promissory notes which are securities as defined by Utah Code Annotated 1953 as amended §61-1-13.

7. JOSEPH PAUL OTTIS made certain misrepresentations of material facts to one or more investors in connection with the offer or sale of a security, to-wit: that Lind's investment would be guaranteed by Ottis' assets and insurance, when in fact, nothing was pledged to Lind; that Lind would receive her first payment within two weeks of investing, when in fact, Lind has been unable to recover any principal or interest; that the investment would provide Lind 10-20% interest plus 2% of Globie's profits. This is an untrue statement. Lind has been unable to recover any principal or interest; and, that Ottis would pay Lind \$400 per month on the \$100,000 Zions Bank loan, when in fact, Lind has not received any payments.

8. JOSEPH PAUL OTTIS also made certain omissions of material facts to one or more investors in connection with the offer or sale of a security, to-wit: the business or operating history of Globie; the identities of Globie's principals and their related experience; provide a prospectus or written disclosure information for Globie; the market for the product of the company; the nature of the competition for the product; the current capitalization of the issuer; the true degree of risk; the total number of other investors; the minimum capitalization needed to participate in the investment; the disposition of any investments received if the minimum capitalization were not achieved;

whether commissions or compensation would be paid relating to the investment; whether the investment is a registered security or exempt from registration; and, whether Ottis was licensed to sell the investment.

**COUNT 1**  
**SECURITIES FRAUD, a second degree felony**  
**(Diane Lind)**

9. Diane Lind lives in the Brigham Apartments in Salt Lake City, Utah. In November 2004, Lind was at the swimming pool in the Brigham Apartments with her grandchildren when she met her neighbor, Joseph Paul Ottis. Ottis told Lind he had a company called Globie, which was in the business of educating children about the planets, preserving the earth, finding missing children and assisting battered women. Ottis said he was a producer and film maker, that he was well-known by several Hollywood producers, and that he used his connections and experience to create the Globie characters. Ottis said he had worked on developing the Globie characters for seven years and they would soon be used to create a wholesome television show for children. Ottis said he was worth millions and was financially successful in his previous business endeavors. That same day, Lind said Ottis went to her apartment and gave her some Globie t-shirts for her grandchildren, pictures of the Globie characters and some promotional DVDs. Ottis also showed Lind projected financials for Globie.

10. A few months later at Lind's apartment, Ottis asked Lind to invest in Globie. Ottis told Lind her money would be used to pay for travel expenses and to launch the production of Globie's television show. Ottis said he was currently in the process of negotiating contracts with Disney and

Nickelodeon. Ottis told Lind there was no risk and that her investment would be guaranteed by Ottis' assets and insurance. Ottis told Lind the investment would provide 10-20% annual interest and Lind would also receive 2% of Globie's profits.

11. Based upon the representations made by Ottis, Lind said she decided to invest. Lind said she was 66 years old at the time of her investment with Ottis. On January 18, 2005, Lind obtained a \$20,000 cashier's check made payable to Globie International, LLC. Lind gave the check to Ottis in Salt Lake City. Ottis told Lind that contracts would be signed in California within two weeks at which time Lind would receive her first interest payment. Ottis gave Lind a promissory note in return for her investment, which bore Ottis' signature. A few days later, Ottis gave Lind an amended promissory note which stated that Lind would receive 2% of the gross annual profits received by Globie, and that the note would mature in one year.

12. The following day, Ottis contacted Lind and asked for additional funds to further the Globie television project. From January 19 to March 23, 2005, Lind gave Ottis four checks in Salt Lake City totaling \$40,000. All the checks were made payable to either Globie International, LLC or Ottis. In return for Lind's investment, Ottis gave Lind three handwritten, signed, notes acknowledging the amounts owed to Lind.

13. In late February 2005, Ottis told Lind he was a victim of identity theft and could not use his credit cards. Ottis asked Lind if she would obtain a line of credit that Ottis could use for the Globie project. Ottis told Lind he had access to other assets that could be used to pay back Lind. Lind said she agree to this, and on March 2, 2005, she requested a \$20,000 check from her Capital One credit

card. Lind took the check to Zions Bank and used it to purchase two cashier's checks, one for \$15,000 made payable to Globie, and the other for \$5,000 made payable to Ottis. That same day, Lind said she delivered the checks to Ottis in Salt Lake City.

14. On March 29, 2005, Ottis told Lind he was going to take out a loan at Zions Bank and asked Lind to sign as the borrower. Lind said she agreed to this, and on March 30, 2005, she obtain a \$25,000 line of credit from Zions Bank. Lind said she deposited the \$25,000 into Globie's checking account the same day. Ottis provided Lind with a copy of the promissory note from Zions Bank.

15. On April 19, 2005, Ottis told Lind he needed to extend the \$25,000 line of credit by applying for an additional \$75,000. Ottis asked Lind to sign as the guarantor on the loan, and that he would pay the \$400 monthly interest payment on the loan. Ottis told Lind the loan would be secured by her certificate of deposit, valued at \$100,000. Ottis promised Lind that the \$75,000 would not be touched unless additional funds were needed to keep Globie in operation. Lind said she agreed to be the guarantor on the loan, and on April 20, 2005, Ottis drove Lind to the Zions Bank branch located in downtown Salt Lake City. Ottis said he was in a hurry and asked Lind to stay in the car. Lind said a Zions Bank employee came out to Ottis' car and asked Lind to sign the loan documents. Lind said she signed the documents without reading them. A few days later, Lind said Ottis provided her with a copy of the loan application and promissory note from Zions Bank. Lind said the documents stated that Lind was listed as the borrower on the loan, not the guarantor.

16. On April 23, 2005, Ottis took Lind to California to see a Globie Earth Day production. Ottis told Lind he had been working with a group from the Church of Scientology on the production.

Lind said she was not impressed with the Globie production. On April 26, 2005, when Lind returned from California, her son-in-law showed her an Internet article from [www.ripoffreport.com](http://www.ripoffreport.com) about Ottis. Lind said the article alleged that Ottis was a scam artist. When Lind confronted Ottis with the article, Lind said Ottis denied that it contained any truth, and told Lind that a relative of his ex-wife wrote the article. That same day, Lind said she went to Zions Bank to put a stop on the \$100,000 line of credit. Lind was told by a Zions Bank representative that the additional \$74,175 was dispersed to Ottis' account on April 20, 2005. Of the \$74,175, Lind said she was able to recover \$66,278.62 from Ottis' account to pay back the line of credit. Lind said she asked Ottis to return the rest of her money. Ottis told Lind that he could only return Lind's money if Globie continued its operations, and that Lind was hindering Globie's project by putting a stop on the line of credit.

17. On April 28, 2005, Ottis provided Lind with two promissory notes. Lind said the first note for \$40,000 was for the four checks Lind gave Ottis between January 19 and March 23, 2005. This note also replaced the three handwritten notes Ottis gave to Lind. Lind said the second note for \$32,000 was for the amount Ottis owed on the Zions Bank line of credit. Shortly thereafter, Lind said Ottis moved out of the Brigham Apartments without giving notice to the landlord or paying rent.

**COUNT 2**  
**ABUSE, NEGLECT OR EXPLOITATION OF AN ELDER ADULT,**  
**a third degree felony**  
**(Diane Lind)**

18. Lind was 66 years of age at the time she invested. Ottis had a business relationship with

Lind, and by deception, obtained or used Lind's funds with the intent to temporarily or permanently deprive Lind of the use, benefit, or possession of her property.

**SUMMARY**

19. Based on my review of the evidence there is probable cause to believe that JOSEPH PAUL OTTIS has committed the crimes of:

**SECURITIES FRAUD**  
a second degree felony, 1 count

**ABUSE, NEGLECT OR EXPLOITATION OF AN ELDER ADULT**  
a third degree felony, 1 count

DATED this 26 day of July, 2007.

Jill Howe  
JILL HOWE, Affiant

SUBSCRIBED AND SWORN to before me on this  
26<sup>th</sup> day of July, 2007.

Robert J. [Signature]  
JUDGE, THIRD DISTRICT COURT

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**FILED DISTRICT COURT**  
Third Judicial District  
**JUL 26 2007**  
By    SALT LAKE COUNTY  
Deputy Clerk

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

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THE STATE OF UTAH, : Bail \$ \_\_\_\_\_  
 :  
 Plaintiff, :  
 : **CRIMINAL INFORMATION**  
 vs. :  
 :  
 **JOSEPH PAUL OTTIS** : Case No: 071905304  
 DOB: July 13, 1945 :  
 : Judge \_\_\_\_\_  
 Defendant. :

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The undersigned, Investigator JILL HOWE, upon oath, states on information and belief that the defendant has committed the following crimes:

**SECURITIES FRAUD**  
a second degree felony (1 count)

**ABUSE, NEGLECT OR EXPLOITATION OF AN ELDER ADULT,**  
a third degree felony (1 count)

**COUNT 1**  
**SECURITIES FRAUD**  
a second degree felony

Commencing on or about November 2004, 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 **DIANE**

LIND, 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  
ABUSE, NEGLECT OR EXPLOITATION OF AN ELDER ADULT  
a third degree felony**

From on or about November 2004, the defendant, in a position of trust and confidence, or in a business relationship, with a vulnerable adult (Diane Lind), and knowingly, by deception or intimidation, obtained or used, or endeavored to obtain or use, the vulnerable adult's funds, credit, assets, or other property with the intent to temporarily or permanently deprive the vulnerable adult of the use, benefit, or possession of the adult's property, for the benefit of someone other than the vulnerable adult, in violation of Utah Code Ann. § 76-5-111. This violation is a third degree felony.

DATED this 26 day of July, 2007.

Jill Howe  
JILL HOWE, Affiant

SUBSCRIBED AND SWORN to before me on  
This 26th day of July,  
2007.

[Signature]  
JUDGE, THIRD DISTRICT COURT



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

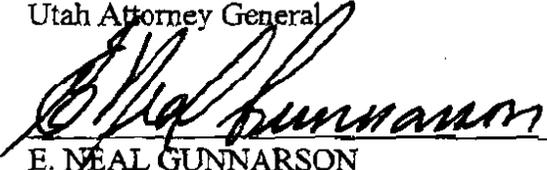
1. Diane Lind
2. Wayne Klein, Director  
Division of Securities
3. And others.

AUTHORIZED FOR PRESENTMENT AND FILING this 18 day of

July, 2007

MARK L. SHURTLEFF  
Utah Attorney General

By:

  
E. NEAL GUNNARSON  
Assistant Attorney General