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2010 JUL 26 PM 12:11

FIFTH DISTRICT COURT  
WASHINGTON COUNTY

BY SC

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FIFTH DISTRICT COURT  
WASHINGTON COUNTY, STATE OF UTAH

<p>STATE OF UTAH, Plaintiff,</p> <p>vs.</p> <p>STEVE SCHATZMAN, DOB: 09/12/43 4716 Crossborough Road Virginia Beach, VA 23455 Defendant.</p>	<p>INFORMATION</p> <p>Criminal No. <u>10501232</u></p> <p>OTN / Citation #:</p> <p>Judge <u>Ludlow</u></p>
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Based upon review and screening of the investigation materials in this matter, the undersigned complainant, under oath, states on information and belief that the defendant committed the following crime(s):

**COUNT 1: SECURITIES FRAUD**, a second degree felony, in that the defendant, in connection with the offer, sale, or purchase of a security, directly or indirectly, did: (1) employ a device, scheme, or artifice to defraud; (2) make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or (3) engage in an act, practice, or course of business which operates or would operate as a fraud or deceit upon any person; and (i) at the time the crime was committed, the property, money, or thing unlawfully obtained or sought to be obtained was worth \$10,000 or more; or (ii) (A) at the time the crime was committed, the property, money, or thing unlawfully obtained or sought to be obtained was worth less than \$10,000; and (B) in connection with that violation, the violator knowingly accepted any money representing: (I) equity in a person's home; (II) a withdrawal from any individual retirement account; or (III) a withdrawal from any qualified retirement plan as defined

in the Internal Revenue Code, in violation of Section 61-1-1, Utah Code Annotated, 1953, as amended.

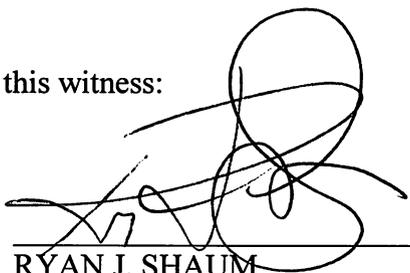
**COUNT 2: THEFT**, a second degree felony, in that the defendant exercised unauthorized control over the property of another with a purpose to deprive the owner thereof, said property having a value which is or exceeds \$5,000.00, in violation of Section 76-6-404, Utah Code Annotated, 1953, as amended.

**COUNT 3: EXPLOITATION OF A DISABLED OR ELDER ADULT**, a second degree felony, in that the defendant, knew or should know that the vulnerable adult lacked the capacity to consent, and obtained or used, or endeavored to obtain or use, or assist another in obtaining or using or endeavoring to obtain or use, the vulnerable adult's funds, assets, or property with the intent to temporarily or permanently deprive the vulnerable adult of the use, benefit, or possession of his property for the benefit of someone other than the vulnerable adult; and that the defendant's action was done intentionally or knowingly and the aggregate value of the resources used or the profit made is more than \$5,000, in violation of Section 76-5-111(4)(a)(ii) and 76-5-111(4)(b)(i), Utah Code Annotated, 1953, as amended.

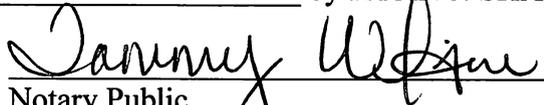
PLACE: Washington County, State of Utah  
DATE: On or about 2008

This information is based on evidence from this witness:  
Jonny Stewart, Utah Division of Securities

Date: 7/22/10

  
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RYAN J. SHAUM  
Washington County Attorney/  
Deputy Washington County Attorney

SUBSCRIBED and SWORN to before me on 7/22/10 by RYAN J. SHAUM.

  
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Notary Public

