


AUG 13 2010

SALT LAKE COUNTY

By \_\_\_\_\_ 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 \$ 100,000.00

Plaintiff,

CRIMINAL INFORMATION

vs.

• ROGER EDWARD TAYLOR,  
DOB: April 23, 1968

Case No: 101905754

RICHARD THOMAS SMITH,  
DOB: September 25, 1967

Case No: 101905752

Defendants.

Judge \_\_\_\_\_

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The undersigned, JOSEPH GATTON, upon oath, states on information and belief that  
the defendants have committed the following crimes:

ROGER EDWARD TAYLOR

**SECURITIES FRAUD**  
a second degree felony, 2 counts

**ABUSE, NEGLECT, OR EXPLOITATION OF A VULNERABLE ADULT**  
a second degree felony, 1 count

**RICHARD THOMAS SMITH**

**SECURITIES FRAUD**

**a second degree felony, 4 counts**

**PATTERN OF UNLAWFUL ACTIVITY**

**a second degree felony, 1 count**

**COUNT 1**

**SECURITIES FRAUD**

**a second degree felony (SMITH)**

Commencing on or about May 2003, in the State of Utah, County of Salt Lake and elsewhere, the defendant SMITH, in connection with the offer or sale of a security, directly or indirectly, to **Annette Donnell**, 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 (SMITH)**

Commencing on or about April 2006, in the State of Utah, County of Salt Lake and elsewhere, the defendant SMITH, in connection with the offer or sale of a security, directly or indirectly, to **Annette Donnell**, 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**  
**SECURITIES FRAUD**  
**a second degree felony (TAYLOR)**

Commencing on or about January 2007, in the State of Utah, County of Salt Lake and elsewhere, the defendant TAYLOR, in connection with the offer or sale of a security, directly or indirectly, to **Earl Knight**, 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 4**  
**ABUSE, NEGLECT OR EXPLOITATION OF AN ELDER ADULT**  
**a second degree felony (TAYLOR)**

From on or about January 2007, the defendant TAYLOR, in a position of trust and confidence, or in a business relationship, with a vulnerable adult (**Earl Knight**), 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 second degree felony.

**COUNT 5**  
**SECURITIES FRAUD**  
**a second degree felony (SMITH)**

Commencing on or about November 2005, in the State of Utah, County of Salt Lake and elsewhere, the defendant SMITH, in connection with the offer or sale of a security, directly or indirectly, to **Kelsie Mortensen**, 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 6**  
**SECURITIES FRAUD**  
**a second degree felony (TAYLOR & SMITH)**

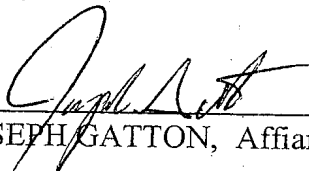
Commencing on or about September 2003, in the State of Utah, County of Salt Lake and elsewhere, the defendants TAYLOR & SMITH, in connection with the offer or sale of a security, directly or indirectly, to **Albert Wirth**, made untrue statements of material facts or omitted to state material facts necessary 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 7**  
**PATTERN OF UNLAWFUL ACTIVITY**  
**a second degree felony (SMITH)**

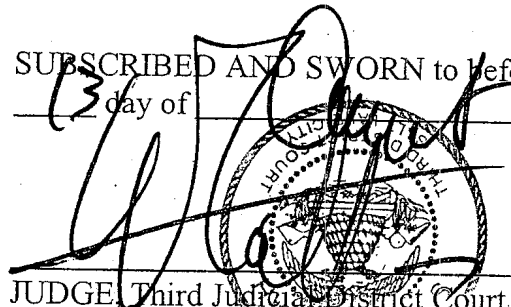
Commencing on or about October 2006, the defendant SMITH has engaged in conduct

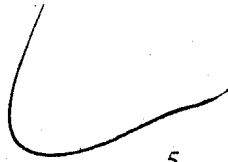
which constituted the commission of at least three episodes of unlawful activity as defined in Utah Code Ann. § 76-10-1601. The defendant: (1) received proceeds derived, directly or indirectly, from a pattern of unlawful activity as more fully defined in Counts 1, 4 and 5 above, in which he participated 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 13 day of August, 2010.

  
\_\_\_\_\_  
JOSEPH GATTON, Affiant

SUBSCRIBED AND SWORN to before me on this 13 day of \_\_\_\_\_, 2010.

  
\_\_\_\_\_  
JUDGE, Third Judicial District Court



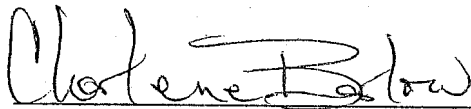
This CRIMINAL INFORMATION is based upon evidence from the following witnesses:

1. Annette Donnell
2. Earl Knight
3. Pat Knight
4. Kelsie Mortensen
5. Wayne Mortensen
6. Albert Wirth
7. And Others.

AUTHORIZED for presentment and filing this 12<sup>th</sup> day of August,  
2010.

MARK L. SHURTLEFF  
Utah Attorney General

By:



CHARLENE BARLOW  
Assistant Attorney General