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Attorneys for the Plaintiff

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH  
CENTRAL DIVISION**

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SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

Art Intellect, Inc., a Utah corporation, d/b/a  
Mason Hill and VirtualMG, Patrick Merrill  
Brody, Laura A. Roser, and Gregory D. Wood

Defendants.

**CIVIL NO: 2:11CV00357**

**MOTION FOR ORDER TO SHOW  
CAUSE WHY DEFENDANTS PATRICK  
M. BRODY AND LAURA A. ROSER  
SHOULD NOT BE HELD IN CIVIL  
CONTEMPT**

**Judge Tena Campbell**

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Plaintiff Securities and Exchange Commission (“Commission”), by and through its counsel of record, respectfully submits this Motion for Order to Show Cause Why Defendants Patrick M. Brody and Laura A. Roser Should Not Be Held in Civil Contempt (“Motion”). Brody and Roser (collectively, “Defendants”) have been engaging in conduct in direct violation of this Court’s Temporary Restraining Order, Accelerating Discovery and Order To Show Cause (“TRO

Order”) and this Court’s Order Appointing Receiver, Freezing Assets and Other Relief (“Asset Freeze Order”) (collectively “Orders”), dated April 18, 2011. (Docket #s 4 and 5). Pursuant to the Orders, Defendants are, among other things, temporarily restrained and enjoined from engaging in conduct in violation of the federal securities laws; discovery commenced immediately thereafter; and Defendants’ assets are frozen.

After attempting to evade service of the Complaint (See Docket #s 11 and 12), Defendants were served the Complaint, other pleadings, and the Orders on April 25, 2011. (Docket #s 15 and 16). Despite their receipt and knowledge of the Orders, Defendants have failed to comply with the terms of the Orders in the following ways:

1. Defendants have attempted and are attempting to sell and hide assets, and likely have sold assets, in violation of the Asset Freeze Order;
2. Defendants have used fraudulently obtained Mason Hill investor funds to lease and continue to provide access to and use of a 2008 Cadillac CTS automobile to Robert H. Copier, Brody’s defense lawyer in the case SEC v. Merrill Scott & Associates, Ltd., et al., Civil No. 2:02CV0039C (D. Utah) in violation of the Asset Freeze Order;
3. Defendants have been soliciting investors and recruiting sales people, using various entity names, websites, and Internet advertising, to continue their scheme to violate federal securities laws and operate a fraudulent scheme almost identical to Mason Hill in violation of the TRO Order; and
4. Defendants have failed to comply with the order for expedited discovery by failing to attend their scheduled and noticed depositions in violation of the order accelerating discovery in the TRO Order and of the Federal Rules of Civil Procedure.

The Commission also respectfully requests that this Motion be expedited to prevent dissipation of fraudulently obtained investor funds and assets and to prevent further harm to unsuspecting investors.

For the reasons set forth above, the Commission respectfully urges this Court to grant its Motion and hold Brody and Roser in civil contempt for failure to comply with this Court's Orders. The Commission further urges this Court to order the Defendants to transfer any funds received from the improper dissipation of assets to the Court-appointed Receiver, issuance of a bench warrant for immediate incarceration of the Defendants, and any other relief the Court deems appropriate. Such extraordinary relief is warranted due to the Defendants' complete disregard and flagrant refusal to comply with the terms of this Court's orders.

Respectfully submitted this 13<sup>th</sup> day of May 2011.

/s/ Thomas M. Melton  
Thomas M. Melton  
Daniel J. Wadley  
Attorneys for Plaintiff  
Securities and Exchange Commission

CERTIFICATE OF SERVICE

I hereby certify that on this 13<sup>th</sup> day of May 2011, I caused to be sent by the methods stated below a true and correct copy of the foregoing **MOTION AND MEMORANDUM IN SUPPORT OF MOTION FOR ORDER TO SHOW CAUSE WHY DEFENDANTS PATRICK M. BRODY AND LAURA A. ROSER SHOULD NOT BE HELD IN CIVIL CONTEMPT**

to,

Via U.S. Mail, First Class:

Patrick Merrill Brody  
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Laura Roser  
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Gregory D. Wood  
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*Attorney for Receiver.*

/s/ Thomas M. Melton \_\_\_\_\_  
Thomas M. Melton