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ATTORNEY GENERAL MASTO ANNOUNCES SENTENCING IN CONNECTION WITH SECURITIES FRAUD SCAM

*Defendant, a Self-Proclaimed Grammy Award Nominee, Claimed to have Rare Material
by Jimi Hendrix, The Beatles, and The Rolling Stones*

Las Vegas, NV – Nevada Attorney General Catherine Cortez Masto announced that a Las Vegas man pled guilty and was sentenced for running a securities fraud scam. Marino DeSilva, 51, solicited investments by falsely claiming he would use the funds for the production and marketing of recordings featuring music by artists including The Beatles, The Rolling Stones, and Jimi Hendrix.

“The defendant misrepresented who he was and sold bogus investments to unassuming innocent people,” said Masto. “My office, in partnership with the Nevada Secretary of State’s office, continues to hold perpetrators accountable.”

DeSilva falsely claimed he was a Grammy Award winning musician/producer who owned the rights to use this intellectual property. He also falsely claimed to have marketing agreements with the Hard Rock and Cirque du Soleil to promote and sell these productions. In truth, DeSilva used the vast majority of money obtained from investors to fund his lavish lifestyle.

On September 12, Clark County District Court Judge David Barker sentenced DeSilva to 38 to 96 months in the Nevada Department of Corrections and ordered to pay \$132,000 in restitution.

The case was investigated by Nevada Secretary of State Ross Miller’s Office and prosecuted by Jeffrey H. Segal, Deputy Attorney General, in Attorney General Masto’s Bureau of Criminal Justice.

Consumers or investors who believe they have been defrauded in a securities fraud scheme can file complaints with the Secretary of State Office at <http://nvsos.gov/index.aspx?page=193> or 702-486-2440.

Read the criminal complaint at <http://bit.ly/DeSilvaComplaint> and the guilty plea agreement at <http://bit.ly/DeSilvaGPA>.

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10 **IN THE JUSTICE COURT, LAS VEGAS TOWNSHIP**
11 **CLARK COUNTY, STATE OF NEVADA**

12 STATE OF NEVADA,

Case No.: 11F05974X

13 Plaintiff,

Dept. No.: 8

14 v.

15 **MARINO DESILVA a/k/a MARINO**
16 **ROBERTS d/b/a BLUE CHIP ROCKS, LLC,**
a Nevada Limited Liability Company,

17 Defendant.
18

19 **CRIMINAL COMPLAINT**

20 The undersigned, CATHERINE CORTEZ MASTO, Attorney General of the State of
21 Nevada, by and through Deputy Attorney General ADRIANA ESCOBAR and Deputy Attorney
22 General JEFFREY H. SEGAL, complains and charges the above named Defendant, **MARINO**
23 **DESILVA a/k/a MARINO ROBERTS** (hereinafter "DESILVA") d/b/a **BLUE CHIP ROCKS, LLC,**
24 with having committed the crimes of eleven (11) counts of **SECURITIES FRAUD**, a category B
25 felony, in violation of NRS 90.570 and NRS 90.650, and eleven (11) counts of **THEFT IN THE**
26 **AMOUNT OF \$2,500.00 OR MORE**, a category B felony, in violation of NRS 205.0832 and
27 205.0835, in Clark County, State of Nevada as follows:

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COUNT I

SECURITIES FRAUD

Category "B" Felony – NRS 90.570 and NRS 90.650

That Defendant, **DESILVA**, in the County of Clark, State of Nevada, did feloniously and unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security, employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made not misleading in the light of the circumstances under which they are made, and/or engage in an act, practice, or course of business which operates or would operate as a fraud or deceit upon a person, to wit: That on or about April 4, 2007, **DESILVA** offered to sell and/or sold an Investor Agreement, a security pursuant to NRS 90.295, to DAWN FEICHTMANN (hereinafter, "FEICHTMANN") for the amount of \$5,000.00, and in so doing utilized one or more of the following misrepresentations, omissions, and/or acts or practices which were fraudulent:

MATERIAL MISREPRESENTATIONS:

- **DESILVA** told FEICHTMANN the money she invested would be used for marketing, promoting and producing an album project titled "Jimi Speaks" in tribute to the popular recording artist Jimi Hendrix when, in fact, only \$111.39 of her \$5,000.00 investment was spent by **DESILVA** on marketing, promoting and producing the album, and **DESILVA** converted the balance of the money for his own unauthorized use;
- **DESILVA** told FEICHTMANN he had been nominated for a Grammy Award (an award recognizing outstanding achievement in the music recording industry) when, in fact,
- **DESILVA** had neither received nor been nominated for a Grammy Award or Latin Grammy Award;

FRAUDULENT OR DECEITFUL ACTS:

On or about November 16, 2007, **DESILVA** issued FEICHTMANN a check in the amount of \$201.15 along with a royalty statement and a letter implying that FEICHTMANN was receiving money from merchandise sales as per her investor agreement when in fact FEICHTMANN was being paid from money **DESILVA** obtained from other investors.

1 On or about April 4, 2007, FEICHTMANN invested a total of \$5,000.00 in the "Jimi
2 Speaks" investment opportunity in reliance upon the material misrepresentations, omissions
3 and/or fraudulent acts made by **DESILVA**. **DESILVA** issued FEICHTMANN a written Investor
4 Agreement as evidence of her investment.

5 All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in
6 violation of NRS 90.570 and NRS 90.650.

7 **COUNT II**

8 **THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE**

9 **Category "B" Felony – NRS 205.0832(1), 205.0835(4)**

10 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly,
11 willfully, and unlawfully, obtain the personal property of another by material misrepresentation
12 with the intent to deprive said person of the property, or, did convert, make an unauthorized
13 transfer of an interest in, or without authorization control any property of another person, or use
14 the services or property of another person entrusted to him or placed in his possession for a
15 limited, authorized period of determined or prescribed duration or for a limited use, and the value
16 of said property was \$2,500.00 or more, to wit: That on or about April 4, 2007, **DESILVA**
17 obtained by misrepresentation, or otherwise unlawfully converted, as set forth more fully above
18 in Count One, the sum of \$5,000.00 from DAWN FEICHTMANN and/or converted said funds to
19 his personal use after obtaining the same, all of which constitutes the crime of **THEFT OF**
20 **MONEY IN THE AMOUNT OF \$2500.00 OR MORE**, a category B felony, in violation of NRS
21 205.0832(1) and NRS 205.0835(4).

22 **COUNT III**

23 **SECURITIES FRAUD**

24 **Category "B" Felony – NRS 90.570 and NRS 90.650**

25 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and
26 unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security,
27 employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material
28 fact or omit to state a material fact necessary in order to make the statements made not

1 misleading in the light of the circumstances under which they are made, and/or engage in an
2 act, practice, or course of business which operates or would operate as a fraud or deceit upon a
3 person, to wit: That on or about April 28, 2007 and October 30, 2007, **DESILVA** offered to sell
4 and/or sold an Investor Agreement, a security pursuant to NRS 90.295, to SHANE CANIGLIA
5 (hereinafter, "CANIGLIA") and in so doing utilized one or more of the following
6 misrepresentations, omissions, and/or acts or practices which were fraudulent:

7 **MATERIAL MISREPRESENTATIONS:**

- 8 • **DESILVA** told CANIGLIA that the money he invested would be used for marketing,
9 promoting and producing an album titled "Liverpool Echoes" featuring never before
10 released interviews of the four (4) members of the Beatles along with some of their
11 recorded music when, in fact, only about \$31.94 of his \$25,000.00 investment was
12 spent for marketing, promoting and producing the Liverpool Echoes album, and
13 **DESILVA** converted the balance of the money for his own unauthorized use;
- 14 • **DESILVA** provided CANIGLIA a brochure titled "Liverpool Echoes" that states the
15 Liverpool Echoes album was being co-promoted with The Beatles LOVE, Cirque Du
16 Soleil, at The Mirage, Las Vegas, when in fact that was not true.
- 17 • **DESILVA** told CANIGLIA he had been nominated for a Grammy Award (an award
18 recognizing outstanding achievement in the music recording industry) when, in fact,
19 **DESILVA** had not received nor been nominated for a Grammy Award or Latin Grammy
20 Award;

21 **FRAUDULENT OR DECEITFUL ACTS:**

22 On or about August 14, 2009, **DESILVA** issued CANIGLIA a check in the amount of
23 \$63.60. **DESILVA** wrote "AOR: Liverpool Echoes" on the memo line of the check implying that
24 CANIGLIA was receiving money from the sale of merchandise related to "Liverpool Echoes"
25 album as per his investor agreement when in fact CANIGLIA was being paid from money
26 **DESILVA** obtained from other investors.

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1 On or about April 28, 2007, CANIGLIA invested \$5,000.00 and on October 30, 2007, he
2 invested an additional \$20,000.00 in "Liverpool Echoes" album investment opportunity in
3 reliance upon the material misrepresentations, omissions and/or fraudulent acts made by
4 **DESILVA**. **DESILVA** issued CANIGLIA a written Investor Agreement as evidence of her
5 investment.

6 All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in
7 violation of NRS 90.570 and NRS 90.650.

8 **COUNT IV**

9 **THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE**

10 **Category "B" Felony – NRS 205.0832(1), 205.0835(4)**

11 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly,
12 willfully, and unlawfully, obtain the personal property of another by material misrepresentation
13 with the intent to deprive said person of the property, or, did convert, make an unauthorized
14 transfer of an interest in, or without authorization control any property of another person, or use
15 the services or property of another person entrusted to him or placed in him possession for a
16 limited, authorized period of determined or prescribed duration or for a limited use, and the value
17 of said property was \$2,500.00 or more, to wit: That on or about April 28, 2007 and October 30,
18 2007, the Defendant obtained by misrepresentation, or otherwise unlawfully converted, as set
19 forth more fully above in Count Three, the combined sum of \$25,000.00 from CANIGLIA and/or
20 converted said funds to his personal use after obtaining the same, all of which constitutes the
21 crime of **THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE**, a category B felony, in
22 violation of NRS 205.0832(1) and NRS 205.0835(4).

23 **COUNT V**

24 **SECURITIES FRAUD**

25 **Category "B" Felony – NRS 90.570 and NRS 90.650**

26 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and
27 unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security,
28 employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material

1 fact or omit to state a material fact necessary in order to make the statements made not
2 misleading in the light of the circumstances under which they are made, and/or engage in an
3 act, practice, or course of business which operates or would operate as a fraud or deceit upon a
4 person, to wit: That on or about January 14, 2008, the defendant offered to sell and/or sold an
5 Investor Agreement, a security pursuant to NRS 90.295, to SHANE CANIGLIA (hereinafter,
6 "CANIGLIA") for the amount of \$25,000.00 and in so doing utilized one or more of the following
7 misrepresentations, omissions, and/or acts or practices which were fraudulent:

8 **MATERIAL MISREPRESENTATIONS:**

- 9 • **DESILVA** told CANIGLIA that the money he invested would be used for marketing,
10 promoting and producing an album titled "The Beatles: Liverpool Echoes – The
11 Soundtrack Album" featuring re-recordings of some of the Beatles songs by famous
12 recording arts such as Carlos Santana and Prince, when, in fact, that of the \$25,000.00
13 invested by CANIGLIA and the \$19,598.32 of CANIGLIA'S invested money that
14 **DESILVA** spent, only about \$820.22 of that money was spent on marketing, promoting
15 and producing the album, and **DESILVA** converted the balance of the money for his
16 own unauthorized use;
- 17 • **DESILVA** told CANIGLIA that he had been nominated for a Grammy Award (an award
18 recognizing outstanding achievement in the music recording industry) when, in fact,
19 **DESILVA** had not received nor been nominated for a Grammy Award or Latin Grammy
20 Award;

21 **FRAUDULENT OR DECEITFUL ACTS:**

22 On or about August 14, 2009, **DESILVA** issued CANIGLIA a check in the amount of
23 \$63.60. **DESILVA** wrote "AOR: Liverpool Echoes" on the memo line of the check implying that
24 CANIGLIA was receiving money from the sale of merchandise related to "Liverpool Echoes"
25 and/or "The Beatles: Liverpool Echoes – The Soundtrack Album" albums as per his investor
26 agreement when in fact CANIGLIA was being paid from money **DESILVA** obtained from other
27 investors.

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DESILVA issued multiple royalty checks to other persons using money received from **CANIGLIA** misleading those investors into thinking that the album projects that they had invested in were generating revenues when there is no evidence found in any of **DESILVA'S** bank accounts to support the amount of royalty payments **DESILVA** distributed to the people he persuaded to invest in his album projects.

On or about January 14, 2008, CANIGLIA invested \$25,000.00 in "The Beatles: Liverpool Echoes – The Soundtrack Album" album project based upon the material misrepresentations, omissions and/or fraudulent acts made by **DESILVA**. **DESILVA** issued CANIGLIA a written Investor Agreement as evidence of her investment.

All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in violation of NRS 90.570 and NRS 90.650.

COUNT VI

THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE

Category "B" Felony – NRS 205.0832(1), 205.0835(4)

That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly, willfully, and unlawfully, obtain the personal property of another by material misrepresentation with the intent to deprive said person of the property, or, did convert, make an unauthorized transfer of an interest in, or without authorization control any property of another person, or use the services or property of another person entrusted to his or placed in his possession for a limited, authorized period of determined or prescribed duration or for a limited use, and the value of said property was \$2,500.00 or more, to wit: That on or about January 14, 2008, **DESILVA** obtained by misrepresentation, or otherwise unlawfully converted, as set forth more fully above in Count Five, the sum of \$25,000.00 from CANIGLIA and/or converted said funds to his personal use after obtaining the same, all of which constitutes the crime of THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE, a category B felony, in violation of NRS 205.0832 and NRS 205.0835(4).

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COUNT VII

SECURITIES FRAUD

Category "B" Felony – NRS 90.570 and NRS 90.650

That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security, employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made not misleading in the light of the circumstances under which they are made, and/or engage in an act, practice, or course of business which operates or would operate as a fraud or deceit upon a person, to wit: That on or about March 4, 2008, **DESILVA** offered to sell and/or sold an Voodoo Chile Radio Executive Producer Agreement, a security pursuant to NRS 90.295, to SHANE CANIGLIA (hereinafter, "CANIGLIA") and in so doing utilized one or more of the following misrepresentations, omissions, and/or acts or practices which were fraudulent:

MATERIAL MISREPRESENTATIONS:

- **DESILVA** told CANIGLIA that the money he invested would be used for marketing, promoting and producing a radio show titled "Voodoo Chile Radio Show" featuring the music of Jimi Hendrix and interviews of celebrities talking about the impact that Jimi Hendrix and his music had on their lives when in fact of the \$5,000.00 invested by CANIGLIA and spent by **DESILVA**, only \$90.00 was spent marketing, promotion or production of the, and **DESILVA** converted the balance of the money for his own unauthorized use;
- **DESILVA** told CANIGLIA that he had been nominated for a Grammy Award (an award recognizing outstanding achievement in the music recording industry) when, in fact, **DESILVA** had not received nor been nominated for a Grammy Award or Latin Grammy Award;

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1 On or about March 4, 2008, CANIGLIA invested \$5,000.00 in "The Voodoo Chile Radio
2 Show" radio show investment opportunity based upon the material misrepresentations,
3 omissions and/or fraudulent acts made by **DESILVA**. **DESILVA** issued CANIGLIA a written
4 Investor Agreement as evidence of his investment.

5 All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in
6 violation of NRS 90.570 and NRS 90.650.

7 **COUNT VIII**

8 **THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE**

9 **Category "B" Felony – NRS 205.0832(1), 205.0835(4)**

10 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly,
11 willfully, and unlawfully, obtain the personal property of another by material misrepresentation
12 with the intent to deprive said person of the property, or, did convert, make an unauthorized
13 transfer of an interest in, or without authorization control any property of another person, or use
14 the services or property of another person entrusted to his or placed in his possession for a
15 limited, authorized period of determined or prescribed duration or for a limited use, and the value
16 of said property was \$2,500.00 or more, to wit: That on or about March 4, 2008, **DESILVA**
17 obtained by misrepresentation, or otherwise unlawfully converted, as set forth more fully above
18 in Count Seven, the sum of \$5,000.00 from CANIGLIA and/or converted said funds to his
19 personal use after obtaining the same, all of which constitutes the crime of **THEFT OF MONEY**
20 **IN THE AMOUNT OF \$2500.00 OR MORE**, a category B felony, in violation of NRS 205.0832(1)
21 and NRS 205.0835(4).

22 **COUNT IX**

23 **SECURITIES FRAUD**

24 **Category "B" Felony – NRS 90.570 and NRS 90.650**

25 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and
26 unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security,
27 employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material
28 fact or omit to state a material fact necessary in order to make the statements made not

1 misleading in the light of the circumstances under which they are made, and/or engage in an
2 act, practice, or course of business which operates or would operate as a fraud or deceit upon a
3 person, to wit: That on or about April, 30 2008, **DESILVA** offered to sell and/or sold an Investor
4 Agreement, a security pursuant to NRS 90.295, to WILLIAM MARSHALL (hereinafter,
5 "MARSHALL") and in so doing utilized one or more of the following misrepresentations,
6 omissions, and/or acts or practices which were fraudulent:

7 **MATERIAL MISREPRESENTATIONS:**

- 8 • **DESILVA** told MARSHALL the money he invested would be used to pay
9 for advertising on radio to promote a new album to be released by the Rolling Stones
10 titled "Precious Stones The Album" in the United States and international markets
11 when in fact of the \$35,000.00 invested by MARSHALL, only \$405.00 was spent on
12 advertising, marketing and promotion, and **DESILVA** converted the balance of the
13 money for his own unauthorized use;
- 14 • **DESILVA** provided MARSHALL with a brochure that states that **DESILVA** is a "Multi-
15 Platinum international award-winning guitarist and producer honored by the Grammys"
16 when in fact **DESILVA** has not received or been nominated for a Grammy or Latin
17 Grammy.
- 18 • **DESILVA** told MARSHALL that "Precious Stones The Album" would be marketed
19 through "TV ads at Hard Rock Hotels throughout the United States, Bali and Thailand
20 and will include Penang, Macau, Panama and Dubai in 2009 and 2010 respectively.
21 Special cross-promotion with Hard Rock Hotel and Casino in Las Vegas will include in-
22 room TV ads." In fact, no such marketing arrangement with the Hard Rock Hotel
23 existed.

24 **MATERIAL OMISSION:**

25 **DESILVA** omitted to tell MARSHALL that **DESILVA** that he would use a portion of
26 MARSHALL'S invested money to pay a commission to Klara Z. Soros, aka Zazie Soros, in the
27 amount of \$5,250.00 for introducing **DESILVA** to MARSHALL.

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1 **FRAUDULENT OR DECEITFUL ACTS:**

2 On or about June 1, 2009, **DESILVA** issued **MARSHALL** a check in the amount of \$53.13
3 along with a Royalty Statement implying that **MARSHALL** was receiving money from the sale of
4 merchandise related to "Precious Stones The Album" when in fact **MARSHALL** was being paid
5 from money from later investors.

6 On or about April 30, 2008, **MARSHALL** invested \$35,000.00 in the "Precious Stones The
7 Album" project investment opportunity in reliance upon the material misrepresentations,
8 omissions and/or fraudulent acts made by **DESILVA**. **DESILVA** issued **MARSHALL** a written
9 Investor Agreement as evidence of his investment.

10 All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in
11 violation of NRS 90.570 and NRS 90.650.

12 **COUNT X**

13 **THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE**

14 **Category "B" Felony – NRS 205.0832(1), 205.0835(4)**

15 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly,
16 willfully, and unlawfully, obtain the personal property of another by material misrepresentation
17 with the intent to deprive said person of the property, or, did convert, make an unauthorized
18 transfer of an interest in, or without authorization control any property of another person, or use
19 the services or property of another person entrusted to him or placed in his possession for a
20 limited, authorized period of determined or prescribed duration or for a limited use, and the value
21 of said property was \$2,500.00 or more, to wit: That on or about April 30, 2008, the Defendant
22 obtained by misrepresentation, or otherwise unlawfully converted, as set forth more fully above
23 in Count Nine, the sum of \$35,000.00 from **MARSHALL** and/or converted said funds to his
24 personal use after obtaining the same, all of which constitutes the crime of **THEFT OF MONEY**
25 **IN THE AMOUNT OF \$2500.00 OR MORE**, a category B felony, in violation of NRS 205.0832
26 and NRS 205.0835(4).

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COUNT XI

SECURITIES FRAUD

Category "B" Felony – NRS 90.570 and NRS 90.650

That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security, employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made not misleading in the light of the circumstances under which they are made, and/or engage in an act, practice, or course of business which operates or would operate as a fraud or deceit upon a person, to wit: That on or about June 4, 2008, **DESILVA** offered to sell and/or sold an Investor Agreement, a security pursuant to NRS 90.295, to BILL RIGDON (hereinafter, "RIGDON") and in so doing utilized one or more of the following misrepresentations, omissions, and/or acts or practices which were fraudulent:

MATERIAL MISREPRESENTATIONS:

- **DESILVA** misrepresented to RIGDON that the \$12,500.00 he invested would be used to pay for the production stage and studio at the Palms Hotel in Las Vegas for producing the album when in fact only about \$1298.94 was spent on marketing, promotion and production of the album, and **DESILVA** converted the balance of the money for his own unauthorized use;

FRAUDULENT OR DECEITFUL ACTS:

On or about June 15, 2009, **DESILVA** issued RIGDON a check in the amount of \$17.25 along with a Royalty Statement implying that RIGDON was receiving money from the sale of merchandise related to "Precious Stones The Album" when in fact RIGDON was being paid from money from later investors.

On or about June 4, 2008, RIGDON invested \$12,500.00 in the "Precious Stones The Album" project investment opportunity in reliance upon the material misrepresentations, omissions and/or fraudulent acts made by **DESILVA**. **DESILVA** issued RIGDON a written Investor Agreement as evidence of his investment.

1 All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in
2 violation of NRS 90.570 and NRS 90.650.

3 **COUNT XII**

4 **THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE**

5 **Category "B" Felony – NRS 205.0832(1), 205.0835(4)**

6 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly,
7 willfully, and unlawfully, obtain the personal property of another by material misrepresentation
8 with the intent to deprive said person of the property, or did convert, make an unauthorized
9 transfer of an interest in, or without authorization control any property of another person, or use
10 the services or property of another person entrusted to him or placed in his possession for a
11 limited, authorized period of determined or prescribed duration or for a limited use, and the value
12 of said property was \$2,500.00 or more, to wit: That on or about June 4, 2008, **DESILVA**
13 obtained by misrepresentation or otherwise unlawfully converted, as set forth more fully above in
14 Count Eleven, the sum of \$12,500.00 from BILL RIGDON and/or converted said funds to his
15 personal use after obtaining the same, all of which constitutes the crime of **THEFT**, a category B
16 felony, in violation of NRS 205.0832(1) and NRS 205.0835(4).

17 **COUNT XIII**

18 **SECURITIES FRAUD**

19 **Category "B" Felony – NRS 90.570 and NRS 90.650**

20 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and
21 unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security,
22 employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material
23 fact or omit to state a material fact necessary in order to make the statements made not
24 misleading in the light of the circumstances under which they are made, and/or engage in an
25 act, practice, or course of business which operates or would operate as a fraud or deceit upon a
26 person, to wit: That on or about July 15, 2008 and September 3, 2008, respectively, **DESILVA**
27 offered to sell and/or sold a Precious Stones the Investor Agreement, a security pursuant to
28 NRS 90.295, to DENNIS BALDARE (hereinafter, "BALDARE") and in so doing utilized one or

1 more of the following misrepresentations, omissions, and/or acts or practices which were
2 fraudulent:

3 **MATERIAL MISREPRESENTATIONS:**

- 4 • **DESILVA** misrepresented to **BALDARE** that the \$5,000.00 he invested would be used
5 to promote, produce or pay for expenses related to the "Precious Stones The Album"
6 when in fact only \$230.00 of **BALDARE**'s investment was spent on marketing,
7 promotion and production of the album, and **DESILVA** converted the balance of the
8 money for his own unauthorized use;
- 9 • **DESILVA** told **BALDARE** that "Precious Stones The Album" would be marketed
10 through TV ads at the Hard Rock Hotels, including the one in Las Vegas, when in fact
11 Hard Rock Hotels did not know about or agree to any marketing arrangement with
12 **DESILVA** to promote the album.

13 **DESILVA** told **BALDARE** that he was nominated for a Grammy Award when in fact he
14 had not received nor been nominated for a Grammy Award or Latin Grammy Award.

15 On or about July 15, 2008 and September 13, 2008, **BALDARE** invested a total of
16 \$5,000.00 in the "Precious Stones The Album" project based upon the material
17 misrepresentations, omissions and/or fraudulent acts made by **DESILVA**. **DESILVA** issued
18 **BALDARE** a written Investor Agreement as evidence of his investment.

19 All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in
20 violation of NRS 90.570 and NRS 90.650.

21 **COUNT XIV**

22 **THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE**

23 **Category "B" Felony – NRS 205.0832(1), 205.0835(4)**

24 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly,
25 willfully, and unlawfully, obtain the personal property of another by material misrepresentation
26 with the intent to deprive said person of the property, or, did convert, make an unauthorized
27 transfer of an interest in, or without authorization control any property of another person, or use
28 the services or property of another person entrusted to her or placed in her possession for a

1 limited, authorized period of determined or prescribed duration or for a limited use, and the value
2 of said property was \$2,500.00 or more, to wit: That on or about July 15, 2008 and September
3 3, 2008, respectively, the **DESILVA** obtained by misrepresentation, or otherwise unlawfully
4 converted, as set forth more fully above in Count Thirteen, the combined sum of \$5,000.00 from
5 DENNIS BALDARE and/or converted said funds to his personal use after obtaining the same, all
6 of which constitutes the crime of **THEFT**, a category B felony, in violation of NRS 205.0832 and
7 NRS 205.0835(4).

8 **COUNT XV**

9 **SECURITIES FRAUD**

10 **Category "B" Felony – NRS 90.570 and NRS 90.650**

11 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and
12 unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security,
13 employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material
14 fact or omit to state a material fact necessary in order to make the statements made not
15 misleading in the light of the circumstances under which they are made, and/or engage in an
16 act, practice, or course of business which operates or would operate as a fraud or deceit upon a
17 person, to wit: That on or about July 16, 2008, the defendant offered to sell and/or sold a
18 Precious Stones the Investor Agreement, a security pursuant to NRS 90.295, to ALFRED "RICK"
19 TURMAN (hereinafter, "TURMAN") and in so doing utilized one or more of the following
20 misrepresentations, omissions, and/or acts or practices which were fraudulent:

21 **MATERIAL MISREPRESENTATIONS:**

- 22 • **DESILVA** misrepresented to TURMAN that the \$5,000.00 he invested would be used
23 to pay for advertising to promote the "Precious Stones The Album" when in fact only
24 approximately \$1655.00, or less, of TURMAN's investment was spent on marketing,
25 promotion and production of the album, and **DESILVA** converted the balance of the
26 money for his own unauthorized use;
- 27 • **DESILVA** provided a brochure to TURMAN that misrepresented that "Precious Stones
28 The Album" would be marketed through "TV ads at Hard Rock Hotels throughout the

United States, Bali and Thailand and will include Penang, Macau, Panama and Dubai in 2009 and 2010, respectively. Special cross-promotion with Hard Rock Hotel and Casino in Las Vegas will include in-room TV ads." In fact, no such marketing agreement with the Hard Rock Hotels existed.

- **DESILVA** told **TURMAN** that he was nominated for a Grammy Award when in fact he had not received nor been nominated for a Grammy Award or Latin Grammy.

FRAUDULENT OR DECEITFUL ACTS:

On or about June 30, 2009, **DESILVA** issued **TURMAN** a check in the amount of \$128.37 along with a Royalty Statement implying that **TURMAN** was receiving money from the sale of merchandise related to "Precious Stones The Album" when in fact **TURMAN** was being paid from money from later investors.

On or about July 16, 2008, **TURMAN** invested \$5,000.00 in the "Precious Stones The Album" project based upon the material misrepresentations, omissions and/or fraudulent acts made by **DESILVA**. **DESILVA** issued **TURMAN** a written Investor Agreement as evidence of his investment.

All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in violation of NRS 90.570 and NRS 90.650.

COUNT XVI

THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE

Category "B" Felony – NRS 205.0832(1), 205.0835(4)

That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly, willfully, and unlawfully, obtain the personal property of another by material misrepresentation with the intent to deprive said person of the property, or, did convert, make an unauthorized transfer of an interest in, or without authorization control any property of another person, or use the services or property of another person entrusted to him or placed in his possession for a limited, authorized period of determined or prescribed duration or for a limited use, and the value of said property was \$2,500.00 or more, to wit: That on or about July 16, 2008, the Defendant obtained by misrepresentation, or otherwise unlawfully converted, as set forth more fully above

1 in Count Fifteen, the sum of \$5,000.00 from ALFRED "RICK" TURMAN and/or converted said
2 funds to his personal use after obtaining the same, all of which constitutes the crime of **THEFT**,
3 a category B felony, in violation of NRS 205.0832 and NRS 205.0835(4).

4 **COUNT XVII**

5 **SECURITIES FRAUD**

6 **Category "B" Felony – NRS 90.570 and NRS 90.650**

7 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and
8 unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security,
9 employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material
10 fact or omit to state a material fact necessary in order to make the statements made not
11 misleading in the light of the circumstances under which they are made, and/or engage in an
12 act, practice, or course of business which operates or would operate as a fraud or deceit upon a
13 person, to wit: That on or about August 15, 2008, the defendant offered to sell and/or sold a
14 Precious Stones the Investor Agreement, a security pursuant to NRS 90.295, to ALFRED "RICK"
15 TURMAN (hereinafter, "TURMAN") and in so doing utilized one or more of the following
16 misrepresentations, omissions, and/or acts or practices which were fraudulent:

17 **MATERIAL MISREPRESENTATIONS:**

- 18 • **DESILVA** misrepresented to TURMAN that the \$5,000.00 he invested would be used
19 to pay for advertising to promote the "Precious Stones The Album" when in fact only
20 approximately \$630.00, or less, of TURMAN's investment was spent on marketing,
21 promotion and production of the album, and **DESILVA** converted the balance of the
22 money for his own unauthorized use;

23 **DESILVA** provided a brochure to TURMAN that misrepresented that "Precious Stones
24 The Album" would be marketed through "TV ads at Hard Rock Hotels throughout the United
25 States, Bali and Thailand and will include Penang, Macau, Panama and Dubai in 2009 and
26 2010, respectively. Special cross-promotion with Hard Rock Hotel and Casino in Las Vegas will
27 include in-room TV ads." In fact, no such marketing agreement with the Hard Rock Hotels
28 existed.

1 **DESILVA** told **TURMAN** that he was nominated for a Grammy Award when in fact he had
2 not received nor been nominated for a Grammy Award or Latin Grammy Award.

3 **FRAUDULENT OR DECEITFUL ACTS:**

4 On or about June 30, 2009, **DESILVA** issued **TURMAN** a check in the amount of \$128.37
5 along with a Royalty Statement implying that **TURMAN** was receiving money from the sale of
6 merchandise related to "Precious Stones The Album" when in fact **TURMAN** was being paid
7 from money from later investors.

8 On or about August 15, 2008, **TURMAN** invested \$5,000.00 in the "Precious Stones The
9 Album" project based upon the material misrepresentations, omissions and/or fraudulent acts
10 made by **DESILVA**. **DESILVA** issued **TURMAN** a written Investor Agreement as evidence of his
11 investment.

12 All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in
13 violation of NRS 90.570 and NRS 90.650.

14 **COUNT XVIII**

15 **THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE**

16 **Category "B" Felony – NRS 205.0832(1), 205.0835(4)**

17 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly,
18 willfully, and unlawfully, obtain the personal property of another by material misrepresentation
19 with the intent to deprive said person of the property, or, did convert, make an unauthorized
20 transfer of an interest in, or without authorization control any property of another person, or use
21 the services or property of another person entrusted to him or placed in his possession for a
22 limited, authorized period of determined or prescribed duration or for a limited use, and the value
23 of said property was \$2,500.00 or more, to wit: That on or about August 15, 2008, the
24 Defendant obtained by misrepresentation, or otherwise unlawfully converted, as set forth more
25 fully above in Count Seventeen, the combined sum of \$5,000.00 from **ALFRED "RICK"**
26 **TURMAN** and/or converted said funds to his personal use after obtaining the same, all of which
27 constitutes the crime of **THEFT**, a category B felony, in violation of NRS 205.0832 and NRS
28 205.0835(4).

COUNT XIX

SECURITIES FRAUD

Category "B" Felony – NRS 90.570 and NRS 90.650

That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security, employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made not misleading in the light of the circumstances under which they are made, and/or engage in an act, practice, or course of business which operates or would operate as a fraud or deceit upon a person, to wit: That on or about July 30, 2008, the defendant offered to sell and/or sold a Precious Stones the Investor Agreement, a security pursuant to NRS 90.295, to WALT RETTIG (hereinafter, "RETTIG") and in so doing utilized one or more of the following misrepresentations, omissions, and/or acts or practices which were fraudulent:

MATERIAL MISREPRESENTATIONS:

- **DESILVA** misrepresented to RETTIG that the \$5,000.00 he invested would be used to pay for advertising to promote the "Precious Stones The Album" when in fact only approximately \$175.00 of RETTIG's investment was spent on marketing, promotion and production of the album, and **DESILVA** converted the balance of the money for his own unauthorized use;

DESILVA provided a brochure to RETTIG that misrepresented that "Precious Stones The Album" would be marketed through "TV ads at Hard Rock Hotels throughout the United States, Bali and Thailand and will include Penang, Macau, Panama and Dubai in 2009 and 2010, respectively. Special cross-promotion with Hard Rock Hotel and Casino in Las Vegas will include in-room TV ads." In fact, no such marketing agreement with the Hard Rock Hotels existed.

DESILVA told RETTIG that he was nominated for a Grammy Award when in fact he had not received nor been nominated for a Grammy Award or Latin Grammy Award.

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FRAUDULENT OR DECEITFUL ACTS:

On or about July 27, 2009, **DESILVA** issued **RETTIG** a check in the amount of \$58.35 along with a Royalty Statement implying that **RETTIG** was receiving money from the sale of merchandise related to "Precious Stones The Album" when in fact **RETTIG** was being paid from money from later investors.

On or about July 30, 2008, **RETTIG** invested \$5,000.00 in the "Precious Stones The Album" project based upon the material misrepresentations, omissions and/or fraudulent acts made by **DESILVA**. **DESILVA** issued **RETTIG** a written Investor Agreement as evidence of his investment.

All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in violation of NRS 90.570 and NRS 90.650.

COUNT XX

THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE

Category "B" Felony – NRS 205.0832(1), 205.0835(4)

That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly, willfully, and unlawfully, obtain the personal property of another by material misrepresentation with the intent to deprive said person of the property, or, did convert, make an unauthorized transfer of an interest in, or without authorization control any property of another person, or use the services or property of another person entrusted to him or placed in his possession for a limited, authorized period of determined or prescribed duration or for a limited use, and the value of said property was \$2,500.00 or more, to wit: That on or about July 30, 2008, the Defendant obtained by misrepresentation, or otherwise unlawfully converted, as set forth more fully above in Count Nineteen, the sum of \$5,000.00 from **WALT RETTIG** and/or converted said funds to his personal use after obtaining the same, all of which constitutes the crime of **THEFT**, a category B felony, in violation of NRS 205.0832 and NRS 205.0835(4).

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///

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COUNT XXI

SECURITIES FRAUD

Category "B" Felony – NRS 90.570 and NRS 90.650

That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security, employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made not misleading in the light of the circumstances under which they are made, and/or engage in an act, practice, or course of business which operates or would operate as a fraud or deceit upon a person, to wit: That on or about March 29, 2009 and March 30, 2009, the defendant offered to sell and/or sold a Precious Stones the Investor Agreement, a security pursuant to NRS 90.295, to JAY BOLAN (hereinafter, "BOLAN") and in so doing utilized one or more of the following misrepresentations, omissions, and/or acts or practices which were fraudulent:

MATERIAL MISREPRESENTATIONS:

DESILVA misrepresented to BOLAN that the \$10,000.00 he invested would be used for travel, staff, and promotions related to the "Precious Stones The Album" when in fact only approximately \$90.00 of BOLAN's investment was spent on travel, staff, or promotions related to the album:

MATERIAL OMISSIONS:

DESILVA omitted to tell BOLAN that he had been raising money from investors for the album since at least October 2007 and still had not released the album.

On or about March 29, 2009, BOLAN invested \$1,000.00 and on March 30, 2009, he invested an additional \$9,000.00 in the "Precious Stones The Album" project based upon the material misrepresentations, omissions and/or fraudulent acts made by **DESILVA**. **DESILVA** issued BOLAN a written Investor Agreement as evidence of his investment.

All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in violation of NRS 90.570 and NRS 90.650.

///

COUNT XXII

THEFT OF MONEY IN THE AMOUNT OF \$2500.00 OR MORE

(Category "B" Felony – NRS 205.0832(1), 205.0835(4))

That Defendant **DESILVA**, in the County of Clark, State of Nevada, did knowingly, willfully, and unlawfully, obtain the personal property of another by material misrepresentation with the intent to deprive said person of the property, or, did convert, make an unauthorized transfer of an interest in, or without authorization control any property of another person, or use the services or property of another person entrusted to him or placed in his possession for a limited, authorized period of determined or prescribed duration or for a limited use, and the value of said property was \$2,500.00 or more, to wit: That on or about March 29, 2009 and March 30, 2009, the Defendant obtained by misrepresentation, or otherwise unlawfully converted, as set forth more fully above in Count Twenty-One, the combined sum of \$10,000.00 from JAY BOLAN and/or converted said funds to his personal use after obtaining the same, all of which constitutes the crime of **THEFT**, a category B felony, in violation of NRS 205.0832(1) and NRS 205.0835(4).

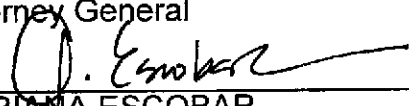
All of which is contrary to the form of the Statute in such cases made and provided, and against the peace and dignity of the State of Nevada. Furthermore, complainant makes this declaration subject to the penalty of perjury.

Dated this 1 day of April, 2011.

SUBMITTED BY:

CATHERINE CORTEZ MASTO
Attorney General

By:


ADRIANA ESCOBAR
Deputy Attorney General
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Attorneys for Plaintiff, State of Nevada

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35:

JOHN ARANA, being first duly sworn, deposes and states:

I have successfully completed the requirements for Peace Officer Category I Basic Certification and have over twenty (20) years experience in law enforcement. I have been assigned to the Division for over nine (9) years. In this position, I have investigated numerous criminal offenses, including securities fraud, and theft. I have attended various in-service training courses, including Analytical Investigation Methods, Financial Manipulation Analysis and Financial Investigations Practical Skills.

I was assigned to investigate Marino DeSilva (hereinafter **DESILVA**) for possible violations of NRS chapters 90 and 205. During the investigation, I learned facts which led me to believe that DESILVA committed the offenses of **SECURITIES FRAUD** (11 counts), which are category B felonies in violation of NRS 90.570 and 90.650(1)(a) and **THEFT** (11 counts), which are category B felonies in violation of NRS 205.0832. All the above offenses committed by DESILVA occurred in the County of Clark, State of Nevada.

In support of the assertion to constitute the existence of probable cause for the requested warrant, the following facts are offered:

On May 25, 2010, I was assigned to investigate complaints filed with this office against DESILVA. An initial review of records that had already been obtained was completed and additional bank records were subpoenaed. The two complainants already in the file were interviewed and

1 additional documents were collected from them. Once the additional bank records were received,
2 additional potential victims were identified.

3 **Dawn Feichtmann**

4 Dawn Feichtmann (hereinafter FEICHTMANN) was interviewed on February 9, 2011. In her
5 complaint and interview, FEICHTMANN stated that she was introduced to DESILVA in or about
6 December 2006 by her friend, Cindy Wild, who had previously invested with DESILVA, while at a get
7 together at Cindy Wild's house. DESILVA was there along with his wife, Janet Williams. DESILVA
8 told FEICHTMANN that he was a musician and had performed with Carlos Santana and had been
9 nominated for a Grammy Award. DESILVA also told FEICHTMANN that he produced albums,
10 sometimes for charities. FEICHTMANN stated that, as a former professional musician herself, she felt
11 that DESILVA portrayed himself as being genuine and knowledgeable.

12 FEICHTMANN later attended a get together at DESILVA'S home where DESILVA showed all
13 his guests his gold albums and photos with musical celebrities. DESILVA told FEICHTMANN that he
14 wanted to afford her the opportunity to invest into one of his albums and receive royalty payments.
15 DESILVA explained to FEICHTMANN that he posts his music on music share sites such as Itunes and
16 MP3 Rocket and each time someone plays one of his songs, he is paid a royalty and he then pays the
17 investors based on how much they have invested. DESILVA also told her that they could make money if
18 people used the music in videos or movies.

19 In or about early March 2007, DESILVA invited FEICHTMANN to meet him and his wife, at
20 the WYNN and it was there that he talked to her about the Jimi Speaks Investment opportunity.
21 DESILVA told her that the album was a tribute to Hendrix and that his friend owned rights to use the
22 Hendrix music. FEICHTMANN recalled that DESILVA told her the name of the friend as if he was
23 someone that was well known, but she did not recognize the name and could not recall it during the
24 interview. DESILVA assured her that he was positive that the album would be profitable because of
25 HENDRIX'S continued popularity. DESILVA further told her that he was so sure of the album that he
26 had invested his family's money into the project and he would never had done that if he wasn't sure.
27 DESILVA told her that her money would be used for the production and promotion of the album and it
28 would be distributed through the music share sites with her receiving a percentage of the royalties that

1 he received. DESILVA gave FEICHTMANN a sample copy of an investor agreement for the album and
2 encouraged her to invest \$10,000.

3 After that meeting, FEICHTMANN recalled that DESILVA frequently called her and
4 encouraged her not to miss out on this opportunity to invest. FEICHTMANN agreed to invest and called
5 DESILVA to let him know that she had decided to invest \$5,000. They agreed to meet once again at the
6 WYNN and on or about April 1, 2007, FEICHTMANN met with DESILVA and handed him a \$5,000
7 check. DESILVA produced two copies of the investor agreement and they both initialed and signed both
8 copies, each keeping one for their records.

9 FEICHTMANN recalled that before she invested DESILVA called her incessantly, after she
10 invested DESILVA would not answer her calls. FEICHTMANN began to suspect that DESILVA had
11 stolen her money. DESILVA finally returned her calls in the fall and told her that the album had been
12 released and things were going great. DESILVA told her that her would soon be sending her a royalty
13 check. Within a few weeks, FEICHTMANN received a check for \$201.15 along with a statement and a
14 letter in which DESILVA talked about the sales that have been made. FEICHTMANN has not received
15 anymore money or communications from DESILVA since then.

16 **Shane Caniglia**

17 Shane Caniglia (hereinafter CANIGLIA) was interviewed on December 13, 2010. In his
18 interview and complaint, CANIGLIA stated that he met DESILVA through a friend, Tyson Crockett
19 (hereinafter CROCKETT) in the spring of 2007. CROCKETT told CANIGLIA that DESILVA was a
20 talented musician who had recorded and performed with some famous musicians. CROCKETT also told
21 CANIGLIA that DESILVA owned the rights to never released interviews of the Beatles from the 1960's
22 and was looking for investors to help him create an album that would be promoted and sold.

23 CROCKETT introduced CANIGLIA to DESILVA at a party at DESILVA'S house. From that
24 point on CANIGLIA dealt directly with DESILVA. When CANIGLIA met DESILVA, DESILVA was
25 promoting a charity album that he had produced called Rhythm of Life. The album featured recording
26 Carlos Santana, Prince and other celebrity musicians. CANIGLIA was impressed with DESILVA'S
27 connection and relationship with the celebrities. CANIGLIA later learned from DESILVA that he knew
28 Paul McCartney and was close friends with McCartney's sister, Ruth, and her husband, Martin

1 Nethercutt. And as a musician, a drummer, CANIGLIA appreciated DESILVA'S gift as an artist on the
2 guitar. Still CANIGLIA, conducted his due diligence of DESILVA through internet searches and found
3 many collaborating "hits" from various sources.

4 In or about the April of 2007, while at DESILVA'S house, DESILVA solicited CANIGLIA to
5 invest in an opportunity that DESILVA called Liverpool Echoes. Liverpool Echoes was to be an album
6 of never before released interviews of the members of the Beatles along with some of their music.
7 DESILVA told CANIGLIA that he owned the rights to this material and that it was a "no-brainer" to
8 make millions of dollars. DESILVA gave CANIGLIA some marketing material entitled The Beatles:
9 "Liverpool Echoes" via an e-mail. CANIGLIA invested by handing DESILVA a \$5,000 check on or
10 about April 28, 2007, but never received any contract. For reasons that CANIGLIA cannot recall he
11 didn't receive a contract from DESILVA until he invested an additional \$20,000 on or about October
12 30, 2007 while at DESILVA'S home. DESILVA then gave CANIGLIA a fully executed investment
13 agreement for \$25,000. DESILVA told CANIGLIA that his investment money would be used to
14 promote and produce the album. CANIGLIA stated that to his knowledge this album was never
15 released. He never received a copy and has never been able to locate a copy, even on iTunes.
16 CANIGLIA did receive a single royalty check of \$63.60 from DESILVA for the album in August 2009.

17 DESILVA'S marketing material for The Beatles: Liverpool Echoes claims that the album was
18 being co-promoted by The Beatles LOVE, Cirque Du Soleil at The Mirage, Las Vegas. Investigators
19 contacted Richard Dennison, the Company Manager for the show and asked him if the show had indeed
20 co-promoted DESILVA'S album. After talking with the various entities whose permission would be
21 required to do so, Mr. Dennison sent a response denying any relationship with DESILVA.

22 CANIGLIA also invested in a second album offered by DESILVA. This album was called The
23 Beatles: Liverpool Echoes - The Soundtrack Album. This album was to contain re-recording of some of
24 the Beatles songs by famous artists such as Carlos Santana and Prince. CANIGLIA played the drums on
25 the Yellow Submarine track on the album. Once again, CANIGLIA'S investment money was supposed
26 to be used for the promotion and production of the album. CANIGLIA gave DESILVA his \$25,000
27 investment check on or about January 14, 2008 and DESILVA gave CANIGLIA the fully executed
28 investment agreement.

1 The third opportunity offered by DESILVA that CANIGLIA invested in was called the Voodoo
2 Chile Radio Show. DESILVA gave CANIGLIA a packet that touted that the show would feature the
3 music of Jimi Hendrix and interviews of celebrities talking about the impact the Jimi Hendrix and his
4 music had on them. The packet details that the investor money would be used for advertising and
5 production costs and the percentage of profits investors would receive. CANIGLIA gave DESILVA his
6 \$5,000 investment check on or about March 1, 2008. DESILVA gave CANIGLIA the fully executed
7 investment agreement on or about March 3, 2008.

8 CANIGLIA stated that the Radio Show never happened and he questioned DESILVA about it
9 and the lack of progress on the other projects. DESILVA never really had any answers but was always
10 making excuses. It was then that CANIGLIA began distancing himself from DESILVA. CANIGLIA
11 stated that he learned of the DIVISION'S investigation from other investors. The last communication
12 that he received from DESILVA was a letter in September 2010 stating that Blue Chip Rocks is defunct.
13 The letter was mailed from an address in England.

14 **Marshall, William**

15 William Marshall (hereinafter MARSHALL) was interviewed on July 1, 2010. In his interview
16 and complaint, MARSHALL stated that in April 2008 he was introduced to DESILVA by a friend, Zazi
17 Soros, of his former housekeeper. Zazi Soros told MARSHALL that DESILVA had an investment
18 opportunity and offered to have DESILVA call him.

19 DESILVA called MARSHALL right away and told MARSHALL that he (DESILVA) owned the
20 rights/permission to use some of the music of the Rolling Stones and that they have been his personal
21 friends for years. He was to be the opening act for the Rolling Stones tour to promote a new album
22 which was to be released in October 2008. DESILVA also told MARSHALL that there would be a
23 record release party at the Hard Rock Casino and members of the Rolling Stones would be there.
24 DESILVA was offering MARSHALL an opportunity to share in the equity of merchandise bearing
25 sound recordings, trademarks and images licensed for purchase. DESILVA told MARSHALL that it
26 was a "no lose situation - it's the 'Stones'" and that MARSHALL could expect to receive \$250,000 to
27 \$300,000 within the first 90 days after the release of the album. DESILVA told MARSHALL that his
28 investment money would be used to buy advertising on radio to promote the album in the U.S. and

1 around the world. MARSHALL stated that he was at his home in California at the time and DESILVA
2 told him that he was calling MARSHALL from his Las Vegas recording studio.

3 MARSHALL stated that he agreed to invest right away and asked DESILVA to send him the
4 agreement. DESILVA faxed MARSHALL the agreement along with a brochure touting the new album
5 and some of the other famous people that would be involved in it. MARSHALL provided all of these
6 documents with his complaint.

7 MARSHALL stated that he went to his credit union on or about April 29, 2008 and obtained a
8 \$35,000 cashiers check made out to Blue Chip Rocks. MARSHALL shipped the check and agreement
9 overnight to DESILVA at the Lago Cantini address in Las Vegas.

10 MARSHALL stated that DESILVA never told him that any of his money would be used to pay a
11 commission to Zazi Soros or anyone else.

12 I asked MARSHALL if DESILVA ever talked about ANGELS. MARSHALL stated that
13 DESILVA told him that ANGELS was a charity that he formed to benefit the children of soldiers that
14 were injured or killed while serving in the war.

15 I asked MARSHALL if he ever received any money back from DESILVA. MARSHALL stated
16 that he did receive one check from DESILVA in June 2009 for \$53.13 but did not cash it because he felt
17 it was an insult after what DESILVA had promised him and he was afraid that if he cashed the check it
18 would give DESILVA some kind of credibility.

19 MARSHALL stated that DESILVA never had the album release party at the Hard Rock Hotel.
20 MARSHALL stated that when he asked DESILVA about it, DESILVA told him that "(Ron) Wood had
21 a relapse and he (DESILVA) had to travel to England to be with him".

22 **Bill Rigdon**

23 Bill Rigdon (hereinafter RIGDON) was interviewed on August 26, 2010. In his interview and
24 complaint, RIGDON stated that he was first introduced to DESILVA when his friend took him to
25 DESILVA'S house for a party in or about November 2007. DESILVA'S home is located at 10627 Lago
26 Cantini Street in Las Vegas. RIGDON stated that DESILVA lived in a nice home in a gated community
27 and the house had pictures of DESILVA with lots of celebrities all over it. RIGDON stated that
28 DESILVA told him that he knew all of the Rolling Stones members and he was going to be the opening

1 act on their upcoming tour that would begin in October 2008. RIGDON stated that DESILVA also told
2 him that he had been a member of Carlos Santana's band. RIGDON stated that DESILVA'S connection
3 with these various celebrity musicians gave him credibility.

4 RIGDON stated he met with DESILVA again at DESILVA'S home in or about January 2008,
5 DESILVA solicited him to invest in some record deals through BLUECHIP. DESILVA offered
6 RIGDON the opportunity to invest into a Jimmy Hendrix album, a Beatles album, and a Rolling Stones
7 album. RIGDON stated that he liked the Rolling Stones music and that DESILVA told him that he
8 (DESILVA) was personal friends with Ron Wood and Mick Jagger and they had given him the licensing
9 rights for their songs that he (DESILVA) was going place on an album called Precious Stones.
10 DESILVA further stated that he would be marketing the album through Sony Records and if RIGDON
11 invested he would get to meet the members of the Rolling Stones and make money on his investment
12 too. RIGDON stated that he asked DESILVA to see the rights to the music and DESILVA told him that
13 he would get them to him. RIGDON stated that he knew that it was important for DESILVA to have the
14 rights in order to sell the music.

15 RIGDON stated that DESILVA gave him the investment contract to review prior to signing but
16 did tell him that if he did not act quickly he would miss the opportunity because DESILVA had other
17 people who wanted to invest. RIGDON stated that he took the contract to his attorney to review.
18 RIGDON'S attorney reviewed the contract and he also wanted to see the licensing agreements prior to
19 RIGDON investing. RIGDON and his attorney met with DESILVA, and RIGDON'S attorney also
20 invested into BLUECHIP.

21 RIGDON stated that DESILVA told him that money he invested would be used for the
22 production stage and studio at the Palms Hotel in Las Vegas for producing the album. RIGDON stated
23 that DESILVA told him that his investment was 100% safe because every album that he does makes
24 money for the investors. Rigdon stated that DESILVA never told him that he would use the money for
25 anyone's salary or personal expenses.

26 RIGDON stated that he met with DESILVA on or about June 3, 2008 at a restaurant called the
27 Lodge that is in or near the Southern Highlands area of Las Vegas. It was there that RIGDON handed
28 DESILVA his \$12,500 investment check. The check was deposited into DESILVA'S bank account on

1 or about June 4, 2008. RIGDON stated that he was supposed to receive a counter-signed copy of the
2 contract from DESILVA along with proof the music licensing, but he never did.

3 RIGDON stated that, based on the contract, he was expecting to receive 12.5% of all the
4 Precious Stones related merchandise, the album to be released in October 2008, the opening of a Rolling
5 Stones tour (with DESILVA as opening act) promoting the album, DESILVA told RIGDON that he
6 would introduce him to the members of the Rolling Stones and quarterly royalty checks for thousands of
7 dollars (based on DESILVA's projections). RIGDON stated that the Rolling Stones did not open a tour
8 in October 2008 to promote the album, DESILVA never introduced him to the members of the Rolling
9 Stones and he has only received one royalty check for \$17.25 in June 2009. RIGDON stated that he
10 didn't even cash the check because it was so much less than DESILVA promised and he didn't want to
11 give DESILVA any appearance of legitimacy.

12 RIGDON stated that sometime after receiving the small check from DESILVA and not receiving
13 any other money, he sent DESILVA a certified letter asserting his contractual right to examine the
14 "Label's books" but the letter was returned undelivered.

15 **Dennis Baldare**

16 Dennis Baldare (hereinafter BALDARE) was interviewed via telephone on January 12, 2011. In
17 his interview and complaint, BALDARE stated that he first heard of DESILVA and BLUE CHIP from
18 his pool cleaner, CROCKETT, in or about June 2008. CROCKETT introduced him to DESILVA.

19 BALDARE stated that after they had gotten to know each other, DESILVA invited him to come
20 to his home for coffee and a talk. BALDARE stated that he saw lots of photos of DESILVA with
21 celebrities and also gold record albums on DESILVA'S walls. DESILVA solicited BALDARE to invest
22 in the Precious Stones album. DESILVA told BALDARE that he had received one of the awards for
23 being nominated to receive a Grammy Award. DESILVA told BALDARE that there would be
24 celebrities guests like Johnny Depp and Bruce Willis appearing on the album. DESILVA also told him
25 that he and Keith Richards were going to tour the country promoting the album. DESILVA also told
26 BALDARE that the album would be promoted by Virgin records and at all the Hard Rock Hotels. When
27 BALDARE asked why DESILVA needed his money when he appeared to be so successful, he was told
28 that it was because DESILVA wanted to help people who were not as fortunate as him and that by

1 investing \$5,000 BALDARE would receive 5% of the proceeds from the album for 3 years. DESILVA
2 assured BALDARE that the album would be profitable and that DESILVA would send out the royalty
3 checks each quarter. DESILVA also told BALDARE that his money would be used for the promotion,
4 production and other related expenses of distributing the album.

5 BALDARE agreed to invest \$5,000 and on or about July 9, 2008, he went to DESILVA'S house
6 and gave him a check for \$1,000. DESILVA printed out the investor agreement for \$5,000 and they both
7 signed it and then DESILVA gave BALDARE a copy. BALDARE and DESILVA had previously
8 agreed the \$4,000 balance would be paid within 30 to 45 days. On or about September 1, 2008,
9 BALDARE handed DESILVA his second check for \$4,000. Both of BALDARE'S checks were drawn
10 on his company account at Desert Valley Services.

11 BALDARE never received any royalty checks from DESILVA and with the downturn in the
12 economy and his divorce, moved to California in the summer of 2010.

13 **Turman, Alfred "Rick"**

14 Alfred Turman (hereinafter TURMAN) was interviewed via telephone on December 8, 2010. In his
15 interview and complaint, TURMAN stated that he first heard of the opportunity to invest with
16 DESILVA from CROCKETT. TURMAN had been introduced to CROCKETT by a friend, BALDARE,
17 who was a friend of CROCKETT'S. BALDARE described CROCKETT as a fellow investor and
18 DESILVA'S "right hand man". Both CROCKETT and BALDARE were in Las Vegas.

19 TURMAN stated that it was CROCKETT who first told him about the opportunity to invest
20 money into DESILVA'S albums. CROCKETT told TURMAN that DESILVA was an accomplished
21 professional musician and had previously marketed extremely profitable albums of Jimi Hendrix (Jimi
22 Speaks) and The Beatles (Yellow Submarine). CROCKETT also told TURMAN that DESILVA was
23 now accepting investors into a recording and marketing of previously unreleased songs from the Rolling
24 Stones.

25 TURMAN stated that he had several conversations with CROCKETT over a period of months
26 and after these conversations, TURMAN would search the internet and find seemingly corroborating
27 information about DESILVA, his albums and DESILVA'S web-site. TURMAN stated that he also
28

1 found a broadcast of an interview of DESILVA on the internet, where DESILVA talked about the
2 Rolling Stones album.

3 Just before he invested TURMAN spoke directly with DESILVA who told TURMAN that the
4 album was guaranteed to be a big hit and make lots of money because of the Rolling Stones. DESILVA
5 told TURMAN that his money would be used to market the album as is explained in the brochure that
6 TURMAN received. DESILVA told TURMAN that the album would also have other stars such as
7 Bruce Willis and Brad Pitt. DESILVA told TURMAN that if he did not invest in the album quickly, he
8 would not only miss out on the money from this album, but also would not be permitted to invest in any
9 of DESILVA'S future albums.

10 On or about July 11, 2008, TURMAN received an e-mail from CROCKETT that had been
11 forwarded from Candee Weinstein (hereinafter WEINSTEIN), DESILVA'S wife/assistant. This e-mail
12 contained a Precious Stones Investor Agreement for \$5,000 that had been pre-printed with TURMAN'S
13 name. TURMAN printed the agreement, initialed and signed it, and then mailed back to DESILVA at
14 DESILVA'S home address of 10627 Lago Cantini Street in Las Vegas, NV 89141. TURMAN wire
15 transferred his \$5,000 investment to DESILVA's bank account on or about July 16, 2008. TURMAN
16 received the DESILVA counter-signed copy of the investor agreement in the mail about a week later.

17 After TURMAN made his first investment, DESILVA told TURMAN that he would give
18 TURMAN an extra point or share (valued at \$1,000) commission if TURMAN could get other people to
19 invest another \$10,000 into the Precious Stones album. TURMAN talked to his friend, Walt Rettig
20 (hereinafter RETTIG), about the investment and RETTIG agreed to invest \$5,000. TURMAN then
21 decided to invest another \$5,000 in the Precious Stones album. TURMAN received a similar contract to
22 the one he used on the first investment by fax from DESILVA. TURMAN printed the contract, initialed
23 and signed it, and then mailed to DESILVA'S home address along with his check for \$5,000 on or about
24 August 9, 2008. A short time later, TURMAN received the DESILVA counter-signed copy of the
25 investor agreement in the mail. TURMAN also received an investor agreement awarding him the
26 commission shares on or about November 12, 2008.

27 TURMAN stated that DESILVA also told him that he would be releasing a Precious Stones
28 movie and a book, but to be allowed to invest in the movie, investors had to invest in the book.

1 TURMAN stated he received an e-mail from WEINSTEIN via CROCKETT with the investor
2 agreement for the book attached. TURMAN stated that he printed the agreement, initialed it and signed
3 it, and then mailed it to DESILVA'S house along with \$1,000 check on or about January 16, 2009.
4 TURMAN stated that he could not locate his counter-signed copy of the agreement and was not sure if
5 he had ever received it.

6 The analysis of DESILVA'S bank records show that very little, if any, of TURMAN'S
7 investments were ever used toward the marketing or production of the Precious Stones album but were
8 instead converted to DESILVA'S personal use.

9 TURMAN received one royalty check from DESILVA in June, 2009. TURMAN stated that he
10 understood that the money was supposed to come from the album sales.

11 **Walt Rettig**

12 Walt Rettig (hereinafter RETTIG) lives in California and was interviewed by telephone on
13 January 6, 2011. In his interview and complaint, RETTIG stated that he first learned of BLUE CHIP and
14 DESILVA from his co-worker, Rick TURMAN on or about July 1, 2008.

15 RETTIG stated that TURMAN told him about DESILVA, a successful musician and record
16 producer, that was allowing people to invest into his next album, which would features songs of the
17 Rolling Stones. RETTIG stated that after listening to TURMAN, he later conducted internet searches of
18 DESILVA and Precious Stones and found multiple hits for DESILVA on Itune, Facebook and MySpace
19 and RETIIG thought that DESILVA looked legitimate. TURMAN had given RETTIG the e-mail for
20 DESILVA'S assistant, Candee Weinstein (aka WILLIAMS) and RETTIG sent her an e-mail asking
21 about the album. RETTIG stated WILLIAMS never mentioned anything about investment risk and told
22 him that his money would be used for promoting the album. WILLIAMS also told RETTIG that
23 investors would receive royalty payments every quarter. WILLIAMS e-mailed RETTIG the "Precious
24 Stones: The Album" brochure.

25 After reviewing the brochure, RETTIG decided to invest. He received the contract via e-mail
26 from WILLIAMS. RETTIG signed and initialed the contract and mailed it to the Lago Cantini address
27 in Las Vegas. RETTIG wired transferred \$5,000 to the BLUE CHIP Rocks account on or about July 30,
28 2008. RETTIG received his DESILVA counter-signed copy of the contract about a week later.

1 RETTIG stated that he received one royalty payment in the mail in or about July 2009. The letter
2 from DESILVA apologized for the delay in fully launching the album and blamed the poor economy.

3 **Jay Bolan**

4 Jay Bolan (hereinafter BOLAN) was interviewed on January 10, 2011. In his interview and
5 complaint, BOLAN stated that he first met DESILVA at a party at the Bootlegger Restaurant in or about
6 January 2009. BOLAN is an accomplished musician/artist from Southern California also and they struck
7 up a conversation which led to what BOLAN thought was a friendship. BOLAN stated that through
8 their conversation he realized that DESILVA was acquainted with many of the people that he knew in
9 the Hollywood area and the recording business.

10 BOLAN said that at first he and DESILVA would just hang out as friends together. But then in
11 or about March 2009, while they were at DESILVA'S house, DESILVA began talking to him about
12 donating to his charities and investing in the production of Liverpool Echoes album. DESILVA told
13 BOLAN that the album would contain never before released interviews of the Beatles and some of their
14 music. DESILVA told BOLAN that the album would be a slam dunk and they couldn't possibly lose.
15 DESILVA told BOLAN that his money would be used for expenses related to the album; such as travel,
16 staff, and promotions. BOLAN agreed to invest and gave DESILVA \$1,000 cash on or about March 29,
17 2009. On or about March 30, 2009, BOLAN met DESILVA at DESILVA'S house and handed him a
18 check for \$9,000. DESILVA printed the investor agreement and they both signed and initialed it.

19 BOLAN stated that after he invested he continued to hang out with DESILVA, but as he listened
20 to DESILVA talk to other people about the albums and his charities, he soon realized that DESILVA
21 was not legitimate. DESILVA kept asking BOLAN to invest more money and BOLAN distanced
22 himself from DESILVA.

23
24
25 **VII. FINANCIAL ANALYSIS**

26 Using the deposit information from the complainants' checks, subpoenas were issued to First
27 Republic Bank, U.S. Bank, Nevada State Bank, Wells Fargo Bank and Silver State Bank for bank
28 records for the following accounts and time periods:

Bank	Account#	Account Name	Signatories	Dates
First Republic	984-0070-3206	Bluechip Rocks LLC	Marino Roberts	1/1/07 – 10/31/09
U.S. Bank	1 534 5179 1625	Marino D. Roberts	Bank unable to locate	12/12/07 - 12/31/09
Nevada State	752015065	Angels on Earth Las Vegas, Inc	Marino Roberts & Janet Williams	2/2/09 – 12/21/09
Silver State	151000069	Janet Williams	Bank did not provide	1/1/08 – 12/31/09
Nevada State	750035511	Janet Williams	Janet Williams	12/11/07 – 1/5/09
Wells Fargo	724-2247836	Janet Williams	Bank did not provide	1/1/08 – 10/7/09
Wells Fargo	049-6652330	Angels on Earth Foundation	Bank did not provide	1/1/08 – 1/8/10

All of the complainants' checks were deposited into the Blue Chip Rocks account. A lot of the money was later transferred to the other accounts and that's why they were subpoenaed. All of the bank records received were inputted into Quicken for analysis.

The bank records show that \$448,644.47 flowed into the Blue Chip Rocks account between January 1, 2007 and December 31, 2009 and that 100% (after accounting for net transfers to/from the other accounts) of that money was from the identified investors or probable investors. This report also shows how DESILVA expended all of the investors' money by amount and percentage. Giving him the benefit of the doubt I estimate (the highlighted figures) that DESILVA spent less than 4% of the money for marketing, promotion and production for the albums that he supposed to produce for the investors.

The bank records also show that DESILVA transferred \$134,077.00 from the Blue Chip account to the other accounts. This was 79% of inflows into those accounts. This report also shows how very little (less than 4%) of the money used for the promotion, marketing and production of the albums as DESILVA led the investors to believe that he would use their money.

The analysis of how DESILVA used each of the individual complainant's money is discussed in the following paragraphs.

1 FEICHTMANN made her single investment of \$5,000 on or about April 1, 2007. DESILVA told
2 her that her money would be used for the promotion and production of the Jimi Speaks album.
3 FEICHTMANN'S check was deposited into DESILVA'S Blue Chip Rocks account on or about April 4,
4 2007. The reports for that period show that the account balance was \$1,008.66 before FEICHTMANN'S
5 check was deposited. No other deposits were made to the account until April 13th. Just prior to that
6 deposit the account balance was \$688.60. The report shows that all of FEICHTMANN'S money was
7 spent and only \$111.39 of it was spent for marketing, promotion and production.

8 CANIGLIA made several investments. His first started on or about May 1, 2007 when he gave
9 DESILVA a \$5,000 check. That check was combined with CANIGLIA'S \$20,000 check that he gave to
10 DESILVA on or about October 31, 2007. DESILVA told CANIGLIA that the money that he invested
11 would be used for marketing, promoting and producing the album. CANIGLIA'S \$5,000 check was
12 deposited into DESILVA'S Blue Chip Rocks account on or about May 1, 2007 along with several other
13 checks making it very difficult to distinguish how CANIGLIA'S money was expended. However, the
14 analysis shows DESILVA spent less than 4% of the investors' money as he said he would. We are able
15 to see what DESILVA did with CANIGLIA'S \$20,000 check. The account balance before the deposit
16 was \$1,626.55. No other deposits were made to the account until November 9th. Just prior to that
17 deposit the account balance was \$11,193.61. The report shows that of the \$10,432.94 of CANIGLIA'S
18 money spent, only \$31.94 of it was spent for marketing, promotion and production and \$308.76 was
19 paid to earlier investors as royalties.

20 CANIGLIA'S second investment took place on or about January 14, 2008 when he gave
21 DESILVA a \$25,000 check. As with his prior investment, CANIGLIA expected his money to be used
22 for marketing, promoting and producing the album. The reports for the period show the account balance
23 before the deposit was \$4,310.75. No other deposits were made to the account until February 23rd. Just
24 prior to that deposit the account balance was \$9,712.43. The reports show that of the \$19,598.32 of
25 CANIGLIA'S money that was spent, only \$820.22 of it was spent for marketing, promotion and
26 production and \$1,691.16 was paid to earlier investors as royalties.

27 CANIGLIA'S third investment took place on or about March 1, 2008 when he gave DESILVA a
28 \$5,000 check. CANIGLIA expected his money to be used for marketing, promoting and producing the

1 radio show. The reports for that period show the account balance before the deposit was \$10,938.09.
2 No other deposits were made to the account until March 11th. Just prior to that deposit the account
3 balance was \$8,291.38. The reports show that all of CANIGLIA'S money was spent and only \$90.00 of
4 it was spent for marketing, promotion or production and \$14.47 was paid to earlier investors as
5 royalties.

6 MARSHALL made his single investment of \$35,000 on or about April 30, 2008. DESILVA told
7 him that his money would be used for the promotion and production of the Precious Stones album.
8 MARSHALL'S check was deposited into DESILVA'S Blue Chip Rocks account on or about April 30,
9 2008. The reports for that period show that the account balance was \$2,235.25 before MARSHALL'S
10 check was deposited. No other deposits were made to the account until June 3rd. Just prior to that
11 deposit the account balance was \$13,100.76. The report shows that \$23,834.49 of MARSHALL'S
12 money was spent and maybe \$405.00 of it was spent for marketing, promotion or production and
13 \$1,325.21 was paid to earlier investors as royalties. The report also shows that Klara Soros was paid a
14 \$5,250 commission immediately after MARSHALL'S check was deposited. That money had to have
15 come from MARSHALL'S money because there would have been insufficient funds to cover it
16 otherwise.

17 RIGDON made his single investment of \$12,500 on or about June 4, 2008. DESILVA told him
18 that his money would be used for the promotion and production of the Precious Stones album.
19 RIGDON'S check was deposited into DESILVA'S Blue Chip Rocks account on or about June 4, 2008.
20 The reports for that period show that the account balance was \$13,400.76 before RIGDON'S check was
21 deposited. It was deposited during the same time as several other checks making it very difficult to
22 distinguish how RIGDON'S money was expended. The cash flow shows report that between the day
23 RIGDON'S check was deposited (June 4, 2008) through July 15, 2008, \$61,000 was deposited into the
24 account. It also shows that during that same time, DESILVA spent \$33,150.88, of which only \$1,298.94
25 was spent for marketing, promotion or production and \$682.90 was paid to earlier investors as royalties.

26 BALDARE gave DESILVA two separate checks on different dates for his \$5,000 investment.
27 DESILVA told him that his money would be used for the promotion and production of the Precious
28 Stones album. The first check was for \$1,000. DESILVA deposited that check on or about July 15,

1 2008. The check register report for that period shows that DESILVA spent \$900 of that money on the
2 same day by giving WILLIAMS 2 checks. BALDARE'S second check for \$4,000 was deposited in was
3 deposited into DESILVA'S account on or about September 3, 2008. The reports on this deposit show
4 that DESILVA spent \$4,293.00 between September 3 and September 10, 2008. Of that money only
5 \$230.00 of it was spent for marketing, promotion or production and \$370.02 was paid to earlier
6 investors as royalties.

7 TURMAN made two investments with DESILVA. TURMAN made his first investment by wire
8 transfer on July 16, 2008. DESILVA told him that his money would be used for the promotion and
9 production of the Precious Stones album. The account reports for that period shows that TURMAN'S
10 \$5,000 was actually the first of 4 separate investor deposits totaling \$20,000 made within a two week
11 period. Those reports also show that between July 16 and August 6, 2008, DESILVA expended
12 \$11,726.85, of which only \$1655.00 of it was spent for marketing, promotion or production and \$498.24
13 was paid to earlier investors as royalties. TURMAN'S second investment of \$5,000 was deposited into
14 DESILVA'S bank account on or about August 15, 2008. The second set of reports in show beginning on
15 that day and continuing for the next 30 days, DESILVA deposited an additional \$44,000 of investor
16 money, and expended \$25,873.81, of which only \$630 of it was spent for marketing, promotion or
17 production and \$542.42 was paid to earlier investors as royalties.

18 RETTIG wire transferred his single investment of \$5,000 into DESILVA'S account on July 30,
19 2008. DESILVA told him that his money would be used for the promotion and production of the
20 Precious Stones album. The reports for that period show that the account balance was \$49,952.06 before
21 RETTIG'S money entered the account. They also show that there were no other deposits between July
22 30 and August 6 and that DESILVA expended \$5,429.03 during that same time, of which only \$328.52
23 was spent for marketing, promotion or production.

24 BOLAN made his single investment of \$10,000 by giving DESILVA \$1,000 cash and a \$9,000
25 check from his mother, Gaylee Ellis, on or about March 30, 2009. DESILVA told him that his money
26 would be used for the promotion and production of the Liverpool Echoes album. BOLAN'S check was
27 deposited into DESILVA'S Blue Chip Rocks account on or about March 31, 2009. The reports for that
28 period show that the account balance was \$2,860.50 before BOLAN'S check was deposited. They also

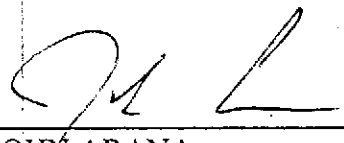
1 show that there were no other deposits between March 31 and April 22 and that DESILVA expended
2 \$8,545.08 during that same time, of which only \$90.00 was spent for marketing, promotion or
3 production.

4 As stated earlier in the report, DESILVA occasionally paid investors money, which he called
5 royalties, giving them the impression that their albums were making money, when in fact all of the
6 money that flowed into the Bluechip Rocks account was directly or indirectly from investors. This
7 means that DESILVA was operating a Ponzi scheme.

8 I respectfully submit that the foregoing establishes probable cause to believe that DESILVA
9 committed the offenses of **SECURITIES FRAUD** (11 count), which are category B felonies in
10 violation of NRS 90.570 and 90.650(1)(a) and **THEFT** (11 count), which are category B felonies in
11 violation of NRS 205.0832. All the above offenses committed by BERNSTEIN occurred in the County
12 of Clark, State of Nevada.

13 Accordingly, I respectfully request that a warrant for the arrest of MARINO DESILVA be
14 issued.

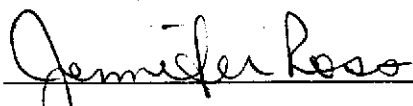
15 FURTHER AFFIANT SAYETH NAUGHT.

16
17 
18 JOHN ARANA
19 Criminal Investigator III
20 Secretary of State, Securities Division

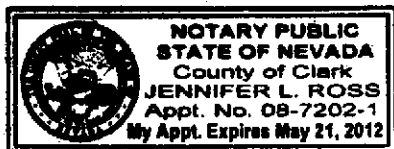
21 SUBSCRIBED and SWORN to before me

22 by John Arana

23 this 1 day of April, 2011

24
25 

26 NOTARY PUBLIC, in and for said County and State



ORIGINAL

B5

10:30

028

FILED IN OPEN COURT
STEVEN D. GRIERSON
CLERK OF THE COURT

MAY 10 2012

BY

CAROLE D'ALOIA DEPUTY

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18 DISTRICT COURT

19 CLARK COUNTY, NEVADA

20 STATE OF NEVADA,

21 Plaintiff,

22 v.

23 MARINO DESILVA, ID #2842236
24 a/k/a MARINO ROBERTS d/b/a BLUE CHIP
25 ROCKS, LLC, a Nevada Limited Liability
26 Company,

27 Defendant.

Case No.: C-12-281223-1

Dept. No.: XVIII

C-12-281223-1
GPA
Guilty Plea Agreement
1849849



28 GUILTY PLEA AGREEMENT

29 COMES NOW, THE STATE OF NEVADA, by CATHERINE CORTEZ MASTO, Attorney
30 General, JEFFREY H. SEGAL, Deputy Attorney General and ADRIANA ESCOBAR, Deputy
31 Attorney General, and MARINO DE SILVA, d/b/a BLUE CHIP ROCKS, LLC with his Attorney,
32 MACE YAMPOLSKY, Esq., and files this Guilty Plea Agreement.

33 I, MARINO DE SILVA agree to enter a guilty plea to one (1) count of SECURITES
34 FRAUD, a category B felony, in violation of NRS 90.570 and NRS 90.650; within Las Vegas
35 Township, Clark County, State of Nevada; as more fully alleged in Count 1 of the Criminal

1 Information, (attached hereto as Exhibit "1"), and incorporated by reference.

2 My decision to plead guilty is based upon the following plea agreement:

3 1. That I, **MARINO DE SILVA** agree to enter a guilty plea to one (1) count of
4 **SECURITIES FRAUD**, a category B felony, in violation of NRS 90.570 and NRS 90.650; as set
5 forth in Count 1 of the Criminal Information.

6 2. That I, **MARINO DE SILVA**, agree that the parties shall retain the right to
7 recommend any sentence permitted by law.

8 3. That I, **MARINO DE SILVA**, agree to pay restitution to all victims named in the
9 Criminal Complaint in the amounts set forth therein.

10 4. That I, **MARINO DE SILVA**, agree to reimburse the Nevada Secretary of State's
11 investigative costs in the amount of \$10,336.21.

12 5. The State agrees to forego prosecution against me on all other counts charged in
13 the Criminal Complaint filed in this matter

14 6. Pursuant to NRS 176.015(3) victims so desiring will be allowed to make impact
15 statements.

16 7. That I, **MARINO DE SILVA**, will submit to any and all terms and conditions imposed
17 by the Division of Parole and Probation.

18 8. That I, **MARINO DE SILVA**, agree not to maintain employment, either personally or
19 through employees or agents for that purpose, in the area of Securities or related areas.

20 9. That I, **MARINO DE SILVA**, understand and agree that upon my guilty plea,
21 surrender of my passport(s), and payment of \$15,000.00 toward restitution, the State will not
22 oppose release upon my own recognizance on the condition of house arrest with electronic
23 monitoring at a residence located in Clark County, Nevada pending sentencing.

24 **CONSEQUENCES OF THE PLEA**

25 I, **MARINO DE SILVA**, understand that by pleading a guilty, I admit the facts which
26 support all the elements of Count One to which I now plead as set forth in Exhibit "1".

27 I understand that as a consequence of my pleading guilty to Count 1 of the Criminal
28 Information, (attached hereto as Exhibit "1" and incorporated by reference), a category B felony, I

1 may be punished by imprisonment in the state prison for a minimum term of not less than 1 year
2 and a maximum term of not more than 20 years, and by a fine of not more than \$500,000 or by
3 both fine and imprisonment.

4 I understand that the law requires me to pay an administrative assessment fee of \$25.00.
5 I understand that I am eligible for probation for the offense to which I am a pleading guilty. I
6 further understand that, except as otherwise provided by statute, the question of whether I
7 receive probation is in the discretion of the sentencing judge.

8 I understand that if I am not a citizen of the United States, my guilty plea can have serious
9 immigration consequences, including, without limitation, deportation and exclusion from the
10 United States. I may also be subject to detention pending resolution of my immigration status.

11 I have not been promised or guaranteed any particular sentence by anyone. I know that
12 my sentence is to be determined by the court within the limits prescribed by statute. I
13 understand that if my attorney or the State of Nevada or both recommend any specific
14 punishment to the court, the court is not obligated to accept the recommendation.

15 WAIVER OF RIGHTS

16 By entering my guilty plea, I, **MARINO DE SILVA**, understand that I have waived the
17 following rights and privileges:

18 1. The constitutional privilege against self-incrimination, including the right to refuse to
19 testify at trial, in which event the prosecution would not be allowed to comment to the jury about
20 my refusal to testify.

21 2. The constitutional right to a speedy and public trial by an impartial jury, free of
22 excessive pretrial publicity prejudicial to the defense, at which trial I would be entitled to the
23 assistance of an attorney, either appointed or retained. At trial, the state would bear the burden
24 of proving beyond a reasonable doubt each element of the offense charged.

25 3. The constitutional right to confront and cross-examine any witnesses who would
26 testify against me.

27 4. The constitutional right to subpoena witnesses to testify on my behalf.

28 5. The constitutional right to testify in my own defense.

1 6. The right to appeal the conviction, with the assistance of an attorney, either
2 appointed or retained, unless the appeal is based upon reasonable constitutional, jurisdictional
3 or other grounds that challenge the legality of the proceedings and except as otherwise provided
4 in subsection 3 of NRS 174.035.

5 **VOLUNTARINESS OF PLEA**

6 I, **MARINO DE SILVA**, have discussed the elements of all the original charges against me
7 with my attorney, MACE YAMPOLSKY, Esq., and I understand the nature of these charges
8 against me.

9 I understand that the State of Nevada would have to prove each element of the charges
10 against me at trial.

11 I have discussed with my attorney any possible defenses and circumstances which might
12 be in my favor.

13 All of the foregoing elements, consequences, rights and waiver of rights have been
14 thoroughly explained to me by my attorney, MACE YAMPOLSKY, Esq. and I believe that
15 pleading guilty and accepting this plea bargain is in my best interest and that a trial would be
16 contrary to my best interest.

17 I am signing this agreement voluntarily, after consultation with my attorney and I am not
18 acting under duress or coercion or by virtue of any promises of leniency, except for those set
19 forth in this agreement.

20 I am not now under the influence of intoxicating liquor, a controlled substance or other
21 drug which would in any manner impair my ability to comprehend or understand this agreement
22 or the proceedings surrounding my entry of this plea.

23 My attorney has answered all questions regarding this Guilty Plea Agreement and its
24 consequences to my satisfaction and I am satisfied with the services provided by my attorney.

25 
26 _____
27 **MARINO DE SILVA**
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Agreed to on this 10 day of May, 2012.

CATHERINE CORTEZ MASTO
Attorney General

JEFFREY H. SEGAL
Deputy Attorney General
Nevada Bar No. 05491
555 E. Washington Avenue, #3900
Las Vegas, Nevada 89101
702-486-3130
Attorneys for Plaintiff, State of Nevada

I, the undersigned, as the attorney for the Defendant, **MARINO DE SILVA** and as an officer of the court hereby certify that:

- 5

1 (c) Was not under the influence of intoxicating liquor, a controlled substance or
2 other drug at the time of the execution of this agreement.

3 DATED this 15 day of MAY, 2012.

4 
5 _____
6 MACE YAMPOLSKY, ESQ.
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EXHIBIT "1"

1 **INFO**

2 CATHERINE CORTEZ MASTO

3 Attorney General

4 JEFFREY H. SEGAL

5 jhsegal@ag.nv.gov

6 Deputy Attorney General

7 Nevada Bar No. 5491

8 ADRIANA ESCOBAR

9 Deputy Attorney General

10 Nevada Bar No. 4595

11 aescobar@ag.nv.gov

12 Bureau of Criminal Justice

13 555 E. Washington Ave., Ste. 3900

14 Las Vegas, Nevada 89101-1068

15 P: (702) 486-3904

16 F: (702) 486-2377

17 Attorneys for Plaintiff STATE OF NEVADA

18 **DISTRICT COURT**

19 **CLARK COUNTY, NEVADA**

20 STATE OF NEVADA,

21 Plaintiff,

22 v.

23 MARINO DESILVA, ID #2842236

24 a/k/a MARINO ROBERTS d/b/a BLUE CHIP

25 ROCKS, LLC, a Nevada Limited Liability

26 Company,

27 Defendant.

Case No.: C-12-281223-1

Dept. No.: XVIII

28 **CRIMINAL INFORMATION**

29 The undersigned, CATHERINE CORTEZ MASTO, Attorney General of the State of
30 Nevada, by and through Deputy Attorney General ADRIANA ESCOBAR and Deputy Attorney
31 General JEFFREY H. SEGAL, complains and charges the above named Defendant, **MARINO**
32 **DESILVA a/k/a MARINO ROBERTS** (hereinafter "**DESILVA**") d/b/a **BLUE CHIP ROCKS, LLC**,
33 has committed the offense as follows:

34 One (1) count of **SECURITIES FRAUD**, a category B felony, in violation of NRS 90.570
35 and NRS 90.650.

1 The below-described act alleged herein has been committed on or about January 14,
2 2008, by the above-named Defendant, within the County of Clark, State of Nevada, in the
3 following manner:

4
5 **COUNT I**

6 **SECURITIES FRAUD**

7 **Category "B" Felony – NRS 90.570 and NRS 90.650**

8 That Defendant **DESILVA**, in the County of Clark, State of Nevada, did feloniously and
9 unlawfully, in connection with the offer to sell, sale, offer to purchase or purchase of a security,
10 employ any device, scheme or artifice to defraud, and/or make an untrue statement of a material
11 fact or omit to state a material fact necessary in order to make the statements made not
12 misleading in the light of the circumstances under which they are made, and/or engage in an
13 act, practice, or course of business which operates or would operate as a fraud or deceit upon a
14 person, to wit: That on or about January 14, 2008, the defendant offered to sell and/or sold an
15 Investor Agreement, a security pursuant to NRS 90.295, to SHANE CANIGLIA (hereinafter,
16 "CANIGLIA") for the amount of \$25,000.00 and in so doing utilized one or more of the following
17 misrepresentations, omissions, and/or acts or practices which were fraudulent:

18 **MATERIAL MISREPRESENTATIONS:**

- 19 • **DESILVA** told CANIGLIA that the money he invested would be used for marketing,
20 promoting and producing an album titled "The Beatles: Liverpool Echoes – The
21 Soundtrack Album" featuring re-recordings of some of the Beatles songs by famous
22 recording arts such as Carlos Santana and Prince, when, in fact, that of the \$25,000.00
23 invested by CANIGLIA and the \$19,598.32 of CANIGLIA'S invested money that
24 **DESILVA** spent, only about \$820.22 of that money was spent on marketing, promoting
25 and producing the album, and **DESILVA** converted the balance of the money for his
26 own unauthorized use;
- 27 • **DESILVA** told CANIGLIA that he had been nominated for a Grammy Award (an award
28 recognizing outstanding achievement in the music recording industry) when, in fact,

Attorney General's Office
555 E. Washington, Suite 3900
Las Vegas, NV 89101

1 **DESILVA** had not received nor been nominated for a Grammy Award or Latin Grammy
2 Award;

3 **FRAUDULENT OR DECEITFUL ACTS:**

4 On or about August 14, 2009, **DESILVA** issued **CANIGLIA** a check in the amount of
5 \$63.60. **DESILVA** wrote "AOR: Liverpool Echoes" on the memo line of the check implying that
6 **CANIGLIA** was receiving money from the sale of merchandise related to "Liverpool Echoes"
7 and/or "The Beatles: Liverpool Echoes – The Soundtrack Album" albums as per his investor
8 agreement when in fact **CANIGLIA** was being paid from money **DESILVA** obtained from other
9 investors.

10 **DESILVA** issued multiple royalty checks to other persons using money received from
11 **CANIGLIA** misleading those investors into thinking that the album projects that they had
12 invested in were generating revenues when there is no evidence found in any of **DESILVA'S**
13 bank accounts to support the amount of royalty payments **DESILVA** distributed to the people he
14 persuaded to invest in his album projects.

15 On or about January 14, 2008, **CANIGLIA** invested \$25,000.00 in "The Beatles: Liverpool
16 Echoes – The Soundtrack Album" album project based upon the material misrepresentations,
17 omissions and/or fraudulent acts made by **DESILVA**. **DESILVA** issued **CANIGLIA** a written
18 Investor Agreement as evidence of her investment.

19 All of which constitutes the crime of **SECURITIES FRAUD**, a category B felony, in
20 violation of NRS 90.570 and NRS 90.650.

21 Agreed to on this 10 day of May, 2012.

22 SUBMITTED BY:

23 CATHERINE CORTEZ MASTO
24 Attorney General

25 By:

26 JEFFREY H. SEGAL

27 Deputy Attorney General

28 Nevada Bar No. 05491

555 E. Washington Avenue, #3900

Las Vegas, Nevada 89101

702-486-3130

Attorneys for Plaintiff, State of Nevada

11F05974X /rjh
SEC FRD