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**IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA**

STATE OF ARIZONA,

Plaintiff,

v.

AARON BLODGETT (001), *Counts 1-34*;

MATTHEW BLODGETT (002), *Counts 1-2, 5, 7-8, 12, 15-16, 18, 20-21, 23-25, 27-29, 31-34*;

ZORAN VUCKOVIC (003), *Counts 1-2, 4, 6-8, 13-15, 31*;

DAMIR KARADASCEVIC (004), *Counts 1-2, 4, 7-8, 10, 15, 19, 21, 31*;

Defendants.

Case No:

78 SGJ 7

INDICTMENT

CHARGING VIOLATIONS OF:

COUNT 1: CONSPIRACY, a Class 2 Felony in violation of A.R.S. § 13-1003;

COUNT 2: ILLEGALLY CONDUCTING AN ENTERPRISE, a Class 3 Felony in violation of A.R.S. § 13-2312;

COUNTS 3-8: FRAUDULENT SCHEMES AND ARTIFICES, a Class 2 Felony in violation of A.R.S. § 13-2310;

COUNTS 9-10 and 13-20: THEFT, a Class 3 Felony in violation of A.R.S. § 13-1802;

COUNT 11: THEFT, a Class 1 Misdemeanor in violation of A.R.S. § 13-1802;

COUNT 12: THEFT, a Class 4 Felony in violation of A.R.S. § 13-1802;

COUNT 21: ATTEMPTED THEFT, a Class 4 Felony in violation of A.R.S. §§ 13-1001, 13-1802;

COUNTS 22-25: SALE OF UNREGISTERED SECURITIES, a Class 4 Felony in violation of A.R.S. § 44-1841;

COUNTS 26-29: TRANSACTIONS BY UNREGISTERED DEALERS AND SALESMEN, a Class 4 Felony in violation of A.R.S. § 44-1842;

COUNTS 30-33: SECURITIES FRAUD, a Class 4 Felony in violation of A.R.S. §§ 44-1991, 44-1995;

COUNT 34: MONEY LAUNDERING, SECOND DEGREE, a Class 3 Felony in violation of A.R.S. § 13-2317.

The Arizona State Grand Jury accuses **AARON BLODGETT, MATTHEW BLODGETT, ZORAN VUCKOVIC, and DAMIR KARADASCEVIC**, charging on this 25th day of April, 2016, that in or from Maricopa County, Arizona:

COUNT 1
CONSPIRACY

On or between May 1, 2012, and December 31, 2014, **AARON BLODGETT, MATTHEW BLODGETT, ZORAN VUCKOVIC, and DAMIR KARADASCEVIC**, with the intent to promote or aid the commission of an offense, did agree with one or more persons that at least one of them or another person would engage in conduct constituting the offenses of:

- 1) **ILLEGALLY CONDUCTING AN ENTERPRISE**, a Class 3 Felony in violation of A.R.S. § 13-2312;
- 2) **FRAUDULENT SCHEMES AND ARTIFICES**, a Class 2 Felony in violation of A.R.S. § 13-2310;
- 3) **THEFT**, a Class 3 Felony in violation of A.R.S. § 13-1802;

- 4) **MONEY LAUNDERING, SECOND DEGREE**, a Class 3 Felony in violation of A.R.S. § 13-2317;
- 5) **SALE OF UNREGISTERED SECURITIES**, a Class 4 Felony in violation of A.R.S. § 44-1841;
- 6) **TRANSACTIONS BY UNREGISTERED DEALERS AND SALESMEN**, a Class 4 Felony in violation of A.R.S. § 44-1842; and
- 7) **SECURITIES FRAUD**, a Class 4 Felony in violation of A.R.S. § 44-1995.

In furtherance of this conspiracy, **AARON BLODGETT, MATTHEW BLODGETT, ZORAN VUCKOVIC, and DAMIR KARADASCEVIC**, along with others not named, committed numerous overt acts including, but not limited to, conspiring to commit those acts set forth in Counts 2 through 34 of this Indictment, which are incorporated by reference as if set out in full, in violation of A.R.S. §§ 13-1003, 13-1802, 13-2310, 13-2312, 13-2317, 44-1841, 44-1842, 44-1995, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, and 13-801.

COUNT 2

ILLEGALLY CONDUCTING AN ENTERPRISE

On or between May 1, 2012, and December 31, 2014, **AARON BLODGETT, MATTHEW BLODGETT, ZORAN VUCKOVIC, and DAMIR KARADASCEVIC**, who were employed by or associated with an enterprise, did knowingly conduct such enterprise's affairs through racketeering or did knowingly participate directly or indirectly in the conduct of any enterprise that the defendants knew was being conducted through racketeering, in violation of A.R.S. §§ 13-2312, 13-1802, 13-2310, 13-2317, 44-1841, 44-1842, 44-1995, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, and 13-801.

The enterprise consisted of one or more legal entities, including U-Invent, LLC; Outreach Development, LLC; Motivational Weight Loss Friends, LLC; Egroup Promotions, LLC; Society Improvement, LLC; Tailgaters Designated Drivers, LLC; and Blodgett Management, LLC d/b/a The Washington Financial Group. The enterprise also consisted of a group of persons

associated in fact, including **AARON BLODGETT, MATTHEW BLODGETT, ZORAN VUCKOVIC, and DAMIR KARADASCEVIC**. The racketeering activities included theft, intentional or reckless fraud in the sale of securities, intentional or reckless sale of unregistered securities, a scheme or artifice to defraud, and money laundering.

COUNT 3

FRAUDULENT SCHEMES AND ARTIFICES

On or between May 1, 2012, and May 31, 2012, **AARON BLODGETT**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representations, promises, or material omissions, in violation of A.R.S. § 13-2310, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

This count pertains to a scheme committed upon Alexis Zettle.

COUNT 4

FRAUDULENT SCHEMES AND ARTIFICES

On or between June 1, 2012, and February 28, 2013, **AARON BLODGETT, ZORAN VUCKOVIC, and DAMIR KARADASCEVIC**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representations, promises, or material omissions, in violation of A.R.S. § 13-2310, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

This count pertains to schemes committed upon Patricia Gesina, Ciarra Greene, and Crystal Oneyma.

COUNT 5

FRAUDULENT SCHEMES AND ARTIFICES

On or between October 1, 2012, and November 1, 2012, **AARON BLODGETT and MATTHEW BLODGETT**, pursuant to a scheme or artifice to defraud, knowingly obtained a

benefit by means of false or fraudulent pretenses, representations, promises, or material omissions, in violation of A.R.S. § 13-2310, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

This count pertains to a scheme committed upon David Vidakovich.

COUNT 6

FRAUDULENT SCHEMES AND ARTIFICES

On or between December 1, 2013, and December 31, 2013, **AARON BLODGETT and ZORAN VUCKOVIC**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representations, promises, or material omissions, in violation of A.R.S. § 13-2310, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

This count pertains to a scheme committed upon Abigail Davis-Zinnikas.

COUNT 7

FRAUDULENT SCHEMES AND ARTIFICES

On or between March 1, 2014, and September 30, 2014, **AARON BLODGETT, MATTHEW BLODGETT, ZORAN VUCKOVIC, and DAMIR KARADASCEVIC**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representations, promises, or material omissions, in violation of A.R.S. § 13-2310, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

This count pertains to schemes committed upon Kyle Schwent, Otoniel Lumbi, and Joshua Perez.

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COUNT 8

FRAUDULENT SCHEMES AND ARTIFICES

On or between August 15, 2014, and December 31, 2014, **AARON BLODGETT, MATTHEW BLODGETT, ZORAN VUCKOVIC, and DAMIR KARADASCEVIC**, pursuant to a scheme or artifice to defraud, knowingly obtained a benefit by means of false or fraudulent pretenses, representations, promises, or material omissions, in violation of A.R.S. § 13-2310, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

This count pertains to schemes committed upon Veronica Martinez, Ryan Garcia, and Jolisa White.

COUNT 9

THEFT

On or between May 1, 2012, and May 31, 2012, **AARON BLODGETT**, without lawful authority, knowingly controlled Alexis Zettle's United States currency, of a value of \$4,000 or more but less than \$25,000, or obtained such property of Alexis Zettle by means of material misrepresentation, with the intent to deprive Alexis Zettle of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 10

THEFT

On or between June 1, 2012, and June 30, 2012, **AARON BLODGETT and DAMIR KARADASCEVIC**, without lawful authority, knowingly controlled Patricia Gesina's United States currency, of a value of \$4,000 or more but less than \$25,000, or obtained such property of Patricia Gesina by means of material misrepresentation, with the intent to deprive Patricia Gesina of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 11

THEFT

On or between October 1, 2012, and October 31, 2012, **AARON BLODGETT**, without lawful authority, knowingly controlled Ciarra Greene's United States currency, of a value of less than \$1,000, or obtained such property of Ciarra Greene by means of material misrepresentation, with the intent to deprive Ciarra Greene of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 12

THEFT

On or between October 1, 2012, and November 1, 2012, **AARON BLODGETT and MATTHEW BLODGETT**, without lawful authority, knowingly controlled David Vidakovich's United States currency, of a value of \$3,000 or more but less than \$4,000, or obtained such property of David Vidakovich by means of material misrepresentation, with the intent to deprive David Vidakovich of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 13

THEFT

On or between January 1, 2013, and February 28, 2013, **AARON BLODGETT and ZORAN VUCKOVIC**, without lawful authority, knowingly controlled Crystal Oneyma's United States currency, of a value of \$4,000 or more but less than \$25,000, or obtained such property of Crystal Oneyma by means of material misrepresentation, with the intent to deprive Crystal Oneyma of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

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COUNT 14

THEFT

On or between December 1, 2013, and December 31, 2013, **AARON BLODGETT and ZORAN VUCKOVIC**, without lawful authority, knowingly controlled Abigail Davis-Zinnikas's United States currency, of a value of \$4,000 or more but less than \$25,000, or obtained such property of Abigail Davis-Zinnikas by means of material misrepresentation, with the intent to deprive Abigail Davis Zinnikas of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 15

THEFT

On or between March 1, 2014, and May 31, 2014, **AARON BLODGETT, MATTHEW BLODGETT, ZORAN VUCKOVIC, and DAMIR KARADASCEVIC**, without lawful authority, knowingly controlled Kyle Schwent's United States currency, of a value of \$4,000 or more but less than \$25,000, or obtained such property of Kyle Schwent by means of material misrepresentation, with the intent to deprive Kyle Schwent of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 16

THEFT

On or between August 1, 2014, and September 30, 2014, **AARON BLODGETT and MATTHEW BLODGETT**, without lawful authority, knowingly controlled Otoniel Lumbi's United States currency, of a value of \$4,000 or more but less than \$25,000, or obtained such property of Otoniel Lumbi by means of material misrepresentation, with the intent to deprive Otoniel Lumbi of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 17

THEFT

On or between August 1, 2014, and September 30, 2014, **AARON BLODGETT**, without lawful authority, knowingly controlled Veronica Martinez's United States currency, of a value of \$4,000 or more but less than \$25,000, or obtained such property of Veronica Martinez by means of material misrepresentation, with the intent to deprive Veronica Martinez of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 18

THEFT

On or between September 1, 2014, and September 30, 2014, **AARON BLODGETT and MATTHEW BLODGETT**, without lawful authority, knowingly controlled Joshua Perez's United States currency, of a value of \$4,000 or more but less than \$25,000, or obtained such property of Joshua Perez by means of material misrepresentation, with the intent to deprive Joshua Perez of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 19

THEFT

On or between November 1, 2014, and December 5, 2014, **AARON BLODGETT and DAMIR KARADASCEVIC**, without lawful authority, knowingly controlled Jolisa White's United States currency, of a value of \$4,000 or more but less than \$25,000, or obtained such property of Jolisa White by means of material misrepresentation, with the intent to deprive Jolisa White of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 20

THEFT

On or between November 1, 2014, and December 31, 2014, **AARON BLODGETT and MATTHEW BLODGETT**, without lawful authority, knowingly controlled Ryan Garcia's United States currency, of a value of \$4,000 or more but less than \$25,000, or obtained such property of Ryan Garcia by means of material misrepresentation, with the intent to deprive Ryan Garcia of such property, in violation of A.R.S. §§ 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 21

ATTEMPTED THEFT

On or between October 15, 2013, and November 15, 2013, **AARON BLODGETT, MATTHEW BLODGETT, and DAMIR KARADASCEVIC**, without lawful authority, attempted to obtain Mindy Forrester's United States currency, of a value of \$4,000 or more but less than \$25,000, by means of material misrepresentation, with the intent to deprive Mindy Forrester of such property, in violation of A.R.S. §§ 13-1001, 13-1801, 13-1802, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 22

SALE OF UNREGISTERED SECURITIES

On or between May 1, 2012, and May 31, 2012, **AARON BLODGETT** sold or offered to sell to Alexis Zettle, within or from Arizona securities that were required to be registered with the Arizona Corporation Commission and were not so registered, in violation of A.R.S. §§ 44-1841, 44-1801, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

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COUNT 23

SALE OF UNREGISTERED SECURITIES

On or between March 1, 2014, and May 31, 2014, **AARON BLODGETT and MATTHEW BLODGETT** sold or offered to sell to Kyle Schwent, within or from Arizona securities that were required to be registered with the Arizona Corporation Commission and were not so registered, in violation of A.R.S. §§ 44-1841, 44-1801, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 24

SALE OF UNREGISTERED SECURITIES

On or between August 1, 2014, and September 30, 2014, **AARON BLODGETT and MATTHEW BLODGETT** sold or offered to sell to Otoniel Lumbi, within or from Arizona securities that were required to be registered with the Arizona Corporation Commission and were not so registered, in violation of A.R.S. §§ 44-1841, 44-1801, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 25

SALE OF UNREGISTERED SECURITIES

On or between September 1, 2014, and September 30, 2014, **AARON BLODGETT and MATTHEW BLODGETT** sold or offered to sell to Joshua Perez, within or from Arizona securities that were required to be registered with the Arizona Corporation Commission and were not so registered, in violation of A.R.S. §§ 44-1841, 44-1801, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

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COUNT 26

TRANSACTIONS BY UNREGISTERED DEALERS AND SALESMEN

On or between May 1, 2012, and May 31, 2012, **AARON BLODGETT** sold or offered to sell securities to Alexis Zettle while not registered as a dealer or salesman with the Arizona Corporation Commission, in violation of A.R.S. §§ 44-1842, 44-1801, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 27

TRANSACTIONS BY UNREGISTERED DEALERS AND SALESMEN

On or between March 1, 2014, and May 31, 2014, **AARON BLODGETT and MATTHEW BLODGETT** sold or offered to sell securities to Kyle Schwent while not registered as a dealer or salesman with the Arizona Corporation Commission, in violation of A.R.S. §§ 44-1842, 44-1801, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 28

TRANSACTIONS BY UNREGISTERED DEALERS AND SALESMEN

On or between August 1, 2014, and September 30, 2014, **AARON BLODGETT and MATTHEW BLODGETT** sold or offered to sell securities to Otoniel Lumbi while not registered as a dealer or salesman with the Arizona Corporation Commission, in violation of A.R.S. §§ 44-1842, 44-1801, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 29

TRANSACTIONS BY UNREGISTERED DEALERS AND SALESMEN

On or between September 1, 2014, and September 30, 2014, **AARON BLODGETT and MATTHEW BLODGETT** sold or offered to sell securities to Joshua Perez while not registered

as a dealer or salesman with the Arizona Corporation Commission, in violation of A.R.S. §§ 44-1842, 44-1801, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 30

SECURITIES FRAUD

On or between May 1, 2012, and May 31, 2012, **AARON BLODGETT**, in connection with a transaction or transactions within or from Arizona involving an offer to sell securities, or a sale of securities, directly or indirectly, and acting intentionally or recklessly, employed any device, scheme or artifice to defraud, or made any untrue statement of material fact, or engaged in any transaction, practice or course of business which operates or would operate as a fraud or deceit, as to Alexis Zettle, in violation of A.R.S. §§ 44-1991, 44-1801, 44-1995, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 31

SECURITIES FRAUD

On or between March 1, 2014, and May 31, 2014, **AARON BLODGETT, MATTHEW BLODGETT, ZORAN VUCKOVIC, and DAMIR KARADASCEVIC**, in connection with a transaction or transactions within or from Arizona involving an offer to sell securities, or a sale of securities, directly or indirectly, and acting intentionally or recklessly, employed any device, scheme or artifice to defraud, or made any untrue statement of material fact, or engaged in any transaction, practice or course of business which operates or would operate as a fraud or deceit, as to Kyle Schwent, in violation of A.R.S. §§ 44-1991, 44-1801, 44-1995, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

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COUNT 32

SECURITIES FRAUD

On or between August 1, 2014, and September 30, 2014, **AARON BLODGETT and MATTHEW BLODGETT**, in connection with a transaction or transactions within or from Arizona involving an offer to sell securities, or a sale of securities, directly or indirectly, and acting intentionally or recklessly, employed any device, scheme or artifice to defraud, or made any untrue statement of material fact, or engaged in any transaction, practice or course of business which operates or would operate as a fraud or deceit, as to Otoniel Lumbi, in violation of A.R.S. §§ 44-1991, 44-1801, 44-1995, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 33

SECURITIES FRAUD

On or between September 1, 2014, and September 30, 2014, **AARON BLODGETT and MATTHEW BLODGETT**, in connection with a transaction or transactions within or from Arizona involving an offer to sell securities, or a sale of securities, directly or indirectly, and acting intentionally or recklessly, employed any device, scheme or artifice to defraud, or made any untrue statement of material fact, or engaged in any transaction, practice or course of business which operates or would operate as a fraud or deceit, as to Joshua Perez, in violation of A.R.S. §§ 44-1991, 44-1801, 44-1995, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801.

COUNT 34

MONEY LAUNDERING, SECOND DEGREE

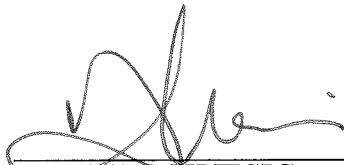
On or between May 1, 2012, and December 31, 2014, **AARON BLODGETT and MATTHEW BLODGETT** acquired or maintained an interest in, transacted in, transferred, received, or concealed the existence or nature of racketeering proceeds knowing or having

reason to know that they were proceeds of an offense, in violation of A.R.S. §§ 13-2317, 13-2301, 13-301, 13-302, 13-303, 13-304, 13-305, 13-306, 13-701, 13-702, 13-703, and 13-801. The racketeering activities included theft, intentional or reckless fraud in the sale of securities, intentional or reckless sale of unregistered securities, and a scheme or artifice to defraud.

Pursuant to A.R.S. § 21-425, the State Grand Jurors find that the offenses described above were committed in Maricopa County, Arizona.

A True Bill
(A "True Bill")

MARK BRNOVICH
ATTORNEY GENERAL
STATE OF ARIZONA



ANDY M. KVESIC
Assistant Attorney General

Dated: April 25, 2016



Foreperson of the State Grand Jury