

ARREST / NOTICE TO APPEAR

1. Arrest 2. N.T.A. 3. Request for Warrant 4. Request for Capias

3 Juvenile

Administrative section containing Agency ORI Number (FL050015A), Agency Name (Palm Beach County State Attorney's Office), Agency Report Number (2012PI000022A99), Charge Type (1 Felony), and Location of Arrest (101 PUGLIESE'S WAY, SUITE #200, DELRAY BEACH, FL. 33445).

Defendant information section including Name (PUGLIESE, ANTHONY VINCENT III), Race (White), Sex (Male), Date of Birth (01/01/1947), Height (5'10"), Weight (210), Eye Color (Brown), Hair Color (Black), Complexion (Light), Build (Med), Local Address (3145 N. OCEAN BLVD, GULFSTREAM, FL 33444), and Business Address (101 PUGLIESE'S WAY, #200, DELRAY BEACH, FL 33445).

Co-Defendant section with fields for Co-Defendant Name, Race, Sex, Date of Birth, and Arrest/Charge status.

Juvenile section including Parent/Legal Custodian information, Address, Notified by, Released To, and Property information.

Charge section listing multiple offenses: Money Laundering over \$100,000.00, Conspiracy to Commit Organized Fraud over \$50,000.00, Grand Theft over \$100,000.00, and Grand Theft between \$20,000.00 and \$100,000.00.

Notice to Appear section with checkboxes for court appearance instructions, court date and time, and a statement of agreement to appear.

Administrative section for signature and verification, including fields for Signature of Arresting Officer (ROBERT FLECHAUS), Name Verification, and Agency information.

DISTRIBUTION: WHITE - COURT COPY GREEN - STATE ATTORNEY YELLOW - AGENCY PINK - JAIL GOLD - DEFENDANT (N.T.A.'s ONLY)

Print Form

OBTS Number		ARREST / NOTICE TO APPEAR			1. Arrest 2. N.T.A.	3. Request for Warrant 4. Request for Capias	3	Juvenile			
ADMINISTRATIVE	Agency ORI Number FL050015A	Agency Name Palm Beach County State Attorney's Office			Agency Report Number (N.T.A.'s only) 2012PI000022A99						
	Charge Type: Check as many as apply: <input checked="" type="checkbox"/> 1. Felony <input type="checkbox"/> 2. Traffic Felony <input type="checkbox"/> 3. Misdemeanor <input type="checkbox"/> 4. Traffic Misdemeanor <input type="checkbox"/> 5. Ordinance <input type="checkbox"/> 6. Other _____				If Weapon Seized Enter Type <u>NO</u>		Multiple Clearance Indicator				
Location of Arrest (Including Name of Business)					Location of Offense (Business Name, Address) 101 PUGLIESE'S WAY, SUITE #200, DELRAY BEACH, FL. 33445						
Date of arrest	Time of Arrest	Booking Date	Booking Time	Jail Date	Jail Time	Location of Vehicle					
Name (Last, First, Middle) PUGLIESE, ANTHONY VINCENT III					Alias (Name, DOB, Soc. Sec. #, Etc.)						
Race W - White B - Black	I - American Indian O - Oriental/Asian	W M	Sex M	Date of Birth 01/01/1947	Height 5'10"	Weight 210	Eye Color BROWN	Hair Color BLACK	Complexion LIGHT	Build MED	
Scars, Marks, Tattoos, Unique Physical Features (Location, Type, Description)					Marital Status M	Religion UNK	Indication of: Alcohol Influence <input type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Unk. <input type="checkbox"/> Drug Influence <input type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Unk. <input type="checkbox"/>				
Local Address (Street, Apt. Number)			(City)	(State)	(Zip)	Phone (561)		Residence Type: 1. City 2. County 3. Florida 4. Out of State		3	
Permanent Address (Street, Apt. Number)			(City)	(State)	(Zip)	Phone ()		FL DL RECORDS			
Business Address (Name, Street)			(City)	(State)	(Zip)	Phone (561) 330-7000		Occupation DEVELOPER			
D/L Number, State P242-018-47-002-0/FL		Soc. Sec. Number		INS Number		Place of Birth (City, State) NEW JERSEY		Citizenship USA			
Co-Defendant Name (Last, First, Middle) JOSEPH ROBERT			Race W	Sex M	Date of Birth 08/08/58	<input type="checkbox"/> 1. Arrested <input checked="" type="checkbox"/> 2. At Large		<input type="checkbox"/> 3. Felony <input type="checkbox"/> 4. Misdemeanor <input type="checkbox"/> 5. Juvenile			
Co-Defendant Name (Last, First, Middle)			Race	Sex	Date of Birth	<input type="checkbox"/> 1. Arrested <input type="checkbox"/> 2. At Large		<input type="checkbox"/> 3. Felony <input type="checkbox"/> 4. Misdemeanor <input type="checkbox"/> 5. Juvenile			
<input type="checkbox"/> Parent <input type="checkbox"/> Legal Custodian <input type="checkbox"/> Other:		Name (Last) (First) (Middle)			Residence Phone ()			Business Phone ()			
Address (Street, Apt. Number)			(City)	(State)	(Zip)						
Notified by: (Name)			Date	Time	Juvenile Disposition 1. Handled/Processed within Dept. and Released. 2. TOT HRS/DYS 3. Incarcerated						
Released To: (Name)			Relationship	Date	Time						
The above address was provided by: <input type="checkbox"/> defendant and/or <input type="checkbox"/> defendant's parents. The child and/or parent was told to keep the Juvenile Court Clerk's Office (Phone 355-2526) informed of any change of address. <input type="checkbox"/> Yes, by: (Name) <input type="checkbox"/> No: (Reason)					School Attended			Grade			
Property Crime? <input type="checkbox"/> Yes <input type="checkbox"/> No		Description of Property			Value of Property						
CODE	Drug Activity N. N/A P. Possess	S. Sell B. Buy T. Traffic	R. Smuggle D. Deliver E. Use	K. Dispense/ Distribute	M. Manufacture/ Produce/ Cultivate	Z. Other	Drug Type N. N/A A. Amphetamine	B. Barbiturate C. Cocaine E. Heroin	H. Hallucinogen M. Marijuana O. Opium/Deriv.	P. Paraphernalia/ Equipment S. Synthetic	U. Unknown Z. Other
CHARGE	Charge Description Grand Theft between \$300.00 and \$20,000.00			Counts 7	Domestic Violence <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Statute Violation Number 812.014(1) and (2)(c)			Violation of ORD #		
	Drug Activity N	Drug Type N	Amount / Unit \$135,651.22	Offense # 2012PI000022A99		Warrant / Capias Number			Bond		
CHARGE	Charge Description C			Counts	Domestic Violence <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Statute Violation Number			Violation of ORD #		
	Drug Activity	Drug Type	Amount / Unit	Offense #		Warrant / Capias Number			Bond		
CHARGE	Charge Description			Counts	Domestic Violence <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Statute Violation Number			Violation of ORD #		
	Drug Activity	Drug Type	Amount / Unit	Offense #		Warrant / Capias Number			Bond		
CHARGE	Charge Description			Counts	Domestic Violence <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Statute Violation Number			Violation of ORD #		
	Drug Activity	Drug Type	Amount / Unit	Offense #		Warrant / Capias Number			Bond		

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Print Form

**OFFICE OF THE STATE ATTORNEY
FIFTEENTH JUDICIAL CIRCUIT
PROBABLE CAUSE AFFIDAVIT**

OBTS CHARGE TYPE [3] 1. Arrest 3. Request for Warrant
 2. N.T.A. 4. Request for Capias

Agency ORI NUMBER FL 050015A Agency Report Number: 2012PI000022A99

Charge Type: [X] Felony [] Misdemeanor

Defendant: ANTHONY VINCENT PUGLIESE III Alias:
Race: W Sex: M DOB: 01/02/1947

Charges:

1. **Florida Statute:** 896.101(3)(a)(1) or (2) and (5)(a) Money Laundering over \$100,000.00
2. **Florida Statute:** 817.034(4)(a)1, 777.04(3) Conspiracy to Commit Organized Scheme to Defraud over \$50,000.00
3. **Florida Statute:** 812.014(1) and (2)(a) Grand Theft over \$100,000.00 (4 COUNTS)
4. **Florida Statute:** 812.014(1) and (2)(b) Grand Theft between \$20,000.00 and \$100,000.00 (6 COUNTS)
5. **Florida Statute:** 812.014(1) and (2)(c) Grand Theft over \$300.00 (7 COUNTS)

Victim: Fred Deluca, Race: W Sex: M DOB: 10/03/47
Business Address: 700 S. Royal Poinciana BLVD, Suit #500, Miami Springs, FL 33166

Victim: FD Destiny, LLC., 300 Bic Drive, Milford, Connecticut 06461

The undersigned certifies and swears that he/she has probable cause to believe, and does believe that the above named Defendant committed the following violation of law.

The person taken into custody

- [] committed the below acts in my presence.
- [] confessed to _____ admitting the above facts.

[] observed by witness=s who told that he/she saw the arrested person commit the below acts.

[XXX] Was found to have committed the below acts, resulting from my (described) investigation.

NARRATIVE:

This Investigator, in conjunction with the Palm Beach County State Attorney's Office Public Integrity Unit, has conducted an investigation into the conduct of Anthony Pugliese and his business manager [REDACTED]. The investigation uncovered an ongoing course of conduct in which the defendants obtained money from Fred Deluca and/or FD Destiny, LLC. by means of fraud. Anthony Pugliese and [REDACTED] committed the fraud by creating fictitious companies, using false invoices to bill the victim for work never done, or billing the victim for work done for the sole benefit of the defendants and not their joint business venture, Land Company of Osceola County,

LLC. They then moved the fraudulently acquired money through fake companies and their associated bank accounts, ultimately directing the stolen money into an account the defendants controlled. The two defendants stole more than One Million dollars through fraudulent means and used the money for purposes not authorized by the Operating Agreement between Anthony Pugliese and Fred Deluca. The total amount stolen from Deluca and/or FD Destiny, LLC. between August 1, 2008 and November 8, 2009 was approximately \$1,195,280.61.

This scheme was perpetrated using a central Florida real estate investment that served as a vehicle for [REDACTED] and Pugliese to generate false invoices for fraudulent vendors and acquire payments. They then transferred those payments through the bank accounts they established for fictitious companies and redirected that money into a bank account they controlled under the name of The Pugliese Company.

My investigation revealed that there is probable cause that Anthony Pugliese and [REDACTED] committed the crimes of Money Laundering over \$100,000 in violation of Florida Statute 896. Conspiracy to Commit Organized Scheme to Defraud over \$50,000 in violation of Florida Statute 817.034; Grand Theft over \$100,000 in violation of Florida Statute 812.014; Grand Theft over \$20,000 in violation of Florida Statute 812.014; Grand Theft over \$300 in violation of Florida Statute 812.014

During my investigation, I learned that Fred Deluca met Anthony Pugliese in approximately March of 2005. At that time, Pugliese discussed with Deluca his proposed purchase of approximately 27,000 acres of land near Yeehaw Junction in Osceola County, Florida ("Yeehaw Property"). Pugliese was soliciting investors and financing for the purchase of the Yeehaw Property, which would cost approximately \$140 Million. Pugliese's plan was to purchase the Yeehaw Property, obtain permits that would allow for development of the land and then sell the land at a profit. Fred Deluca agreed to invest with Anthony Pugliese and agreed to finance the purchase of the Yeehaw Property.

The Yeehaw Property was purchased in August of 2005 and financed through a personal \$111 Million loan made by Deluca to a new company Pugliese and Deluca formed and called the Land Company of Osceola County, LLC ("LCOC") where they were equal owners. Approximately \$6 Million of the \$111 Million loan was set aside to fund the operations and expenses associated with the development of the Yeehaw Property.

Within two years, the \$6 Million was depleted, so that by approximately September 2007 more money was needed to fund the project which was then known as Destiny. With the total depletion of the budgeted operating expenses, Deluca stopped funding the project for a period of approximately four months until the parties established a method to allocate expenses from the business.

In early 2008, Deluca and Pugliese agreed to pay LCOC's expenses every month. Deluca agreed to pay 75% of the expenses through his company FD Destiny, LLC, while Pugliese would pay 25% of the expenses through his company AVP Destiny, LLC.

Pugliese used his business offices in Delray Beach, Florida to operate LCOC. [REDACTED], one of Pugliese's associates, was responsible for keeping all of the accounting records for LCOC, as well as Pugliese's other companies, including The Pugliese Company. [REDACTED] was a signatory on LCOC's bank accounts and prepared all of the monthly funding requests and wrote the checks to pay LCOC's expenses. Each month after the 2008 allocation agreement, [REDACTED] prepared a funding request for Deluca's representatives that contained a total dollar amount of that month's expenses with a calculation of Pugliese 25% share and Deluca's 75% share of the expenses, which were to be paid to LCOC.

Throughout 2008, Pugliese continued to request more and more money to fund LCOC's expenses. By the spring of 2009, according to funding requests, Pugliese and [REDACTED] claimed that more than \$1 Million per month was needed to fund LCOC's expenses.

During this same time period, Pugliese suffered significant financial setbacks due in part to the changing real estate market. Public records indicate that Pugliese had multi-million dollar judgments placed against various real estate holdings that he controlled for financial problems starting in 2008. What had once been an extensive real estate portfolio had begun to collapse as indicated by the court records.

Representatives of Deluca and the companies related to the LCOC real estate investment have given statements to your Affiant in which they state that in 2009 they became increasingly suspicious of the rising expenses and lack of detailed back-up to support the expenses. In approximately the spring of 2009, Deluca's representatives requested that [REDACTED] provide more detailed invoices from the vendors to support the monthly funding requests by [REDACTED] and Pugliese.

What follows below is a report of my investigation into the bogus companies created by Pugliese and [REDACTED] to satisfy Deluca and FD Destiny's demand for an expense detail. The addresses they used for the fake companies appear to be randomly picked and do not have any significance other than furthering the scheme. Pugliese and [REDACTED] have both admitted during testimony taken in a civil deposition, for the case of FD Destiny, LLC and FD Destiny Management, LLC vs AVP Destiny, LLC, Anthony Pugliese, and LCOC, LLC (Palm Beach County civil case #2009CA029903), that they created corporations and that this money was taken from Fred Deluca, FD Destiny, LLC., under the pretext of reserving money for the future expenses of LCOC, LLC.. The money was taken from Deluca's monthly funding and hidden in the corporate accounts and later funneled into Pugliese company accounts managed by [REDACTED]. From there, the money was used for whatever purpose Pugliese decided, unknown and unauthorized by Deluca or FD Destiny, LLC., or the LCOC Operating Agreement.

First Fraudulent Company - Corps. Consulting, LLC

Florida Secretary of State records indicate that Corps. Consulting, LLC was incorporated on February 20, 2009 and its registered agent is [REDACTED]. The principal place of business is listed as 217 North Seacrest Boulevard, Boynton Beach, Florida. Corps. Consulting, LLC's manager is listed as Kim Caruso, who is Pugliese's sister.

Bank records reviewed by your Affiant show that on February 20, 2009 [REDACTED] also opened a business checking account in the name of Corps Consulting, LLC and listed himself as the sole signatory for the account.

The account for this fake company, just like the other fraudulent companies described below, was opened at Floridian Community Bank, Delray Beach. Bank records indicate Pugliese had a number of business accounts at this bank where Pugliese and [REDACTED] were regularly in this bank and were a significant customer(s) of Floridian Community Bank.

In testimony in the civil case on July 28, 2010, [REDACTED] admitted that he opened the Corps Consulting bank accounts at Anthony Pugliese's direction. He further admitted that this bogus company did not provide any services to LCOC, nor did it have an occupational license, nor did it file a tax return.

Records acquired from LCOC show that on April 1, 2009, Corps Consulting, LLC submitted an invoice for "Government Consulting by Professionals" for the month of April. The fee for this invoice was \$12,500. The invoice was approved by Pugliese by stamp and written initials. The invoice was provided by [REDACTED] to Deluca's company, FD Destiny, LLC.

In testimony in the civil case on September 29, 2010, Pugliese admitted that he had directed the creation of the invoice(s) described above. He also testified that he created the logo for the fraudulent company(s) and the format of the invoices. Pugliese also admitted that Corps Consulting had no employees and did not provide any government consulting services to LCOC.

After Pugliese approved the invoice(s), bank records show that a check for the entire invoice amount was written from LCOC's account by [REDACTED]. The date of that check, number 5382, is April 15, 2009. Floridian Community Bank records show that the check was deposited into the account for Corps Consulting on May 20, 2009. Records also show that an earlier check was written from LCOC's account, number [REDACTED], on March 16, 2009 in the amount of \$12,500 to Corps Consulting, LLC. Floridian Community Bank records show that the check was deposited into the account for Corps Consulting on March 20, 2009. The money paid to Corps Consulting came from the monthly capital contribution to LCOC, LLC. from Fred Deluca and/or FD Destiny.

Bank records show that on November 4, 2009 a check (\$24,303.20) was written on the Corps Consulting account and signed by [REDACTED] to transfer the stolen funds from the fraudulent account, totaling \$24,303.20, into the operating account of The Pugliese Company, a company owned by only Anthony Pugliese

This pattern of false invoices, approved fictitious billing, payment by the victim relying on the invoice, and then ultimate movement of the stolen funds from the false company into the Pugliese Company is repeated throughout the scheme using additional companies.

Second Fraudulent Company - Black Walker and Associates, LLC

Florida Secretary of State records indicate that Black Walker and Associates, LLC was incorporated on February 23, 2009 and its registered agent is also [REDACTED]. The principal place of business is listed as 228 Park Avenue South, New York, NY, 10003. Black Walker and Associates, LLC's manager is listed as Kim Caruso, Pugliese's sister.

Bank records reviewed by your Affiant show that on February 23, 2009, the same day as incorporation, [REDACTED] opened a business checking account in the name of Black Walker and Associates, LLC and listed himself as the only signatory for the account.

In testimony in the civil case on July 28, 2011, [REDACTED] admitted that this company provided no services to LCOC. The question was asked: "you knew Black Walker wasn't providing services to LCOC, correct?" [REDACTED] answered "Correct". [REDACTED] further admitted that Black Walker and Associates, LLC had no business license and did not file tax returns.

Records acquired from LCOC show that on April 1, 2009, Black Walker and Associates, LLC submitted an invoice for "Government Consulting Fees Rendered" for the month of April. The fee for this invoice was \$10,000. The invoice was approved by Pugliese by stamp and written initials. The invoice was received by Deluca's company, FD Destiny, LLC and paid.

In testimony in the civil case) on September 29, 2010 Pugliese admitted that he created the name for this phony company. Pugliese directed his in-house counsel to form this company and Pugliese also admitted that he generated and approved the invoices submitted by Black Walker and Associates, LLC.

After Pugliese approved the invoice(s), bank records show that three checks were written from LCOC's account by [REDACTED]. Records show check numbers 5220 and 5274, on February 16, 2009 and March 16, 2009 respectively, in the amount of \$10,000 each to Black Walker and Associates, LLC. Floridian Community Bank records show that these checks were deposited into the account for Black Walker and Associates, LLC on March 5, 2009 and April 20, 2009 respectively. The third check, check #5373, dated April 15, 2009 for \$10,000.00 was also deposited into the account for Black Walker and Associates, LLC on May 20, 2009. The money paid to Black Walker and Associates, LLC. came from the monthly capital contribution to LCOC, LLC. from Fred Deluca and/or FD Destiny.

Records show that on November 4, 2009 a check (\$29,303.20) was written on the Black Walker and Associates, LLC account and signed by [REDACTED] to transfer the stolen funds from the fake account, totaling \$29,303.20, into the operating account of The Pugliese Company.

Third Fraudulent Company - ARUP, LLC

Florida Secretary of State records indicate that ARUP, LLC was incorporated on February 24, 2009 and its registered agent is [REDACTED]. The principal place of business is listed as 8605 Santa

Monica Boulevard, Los Angeles California, 90069. ARUP, LLC's manager is listed as Kim Caruso, Pugliese's sister.

Victim/witness statements reveal that a similar sounding company, Arup, *Inc.*, is a real company that performed real services for LCOC. The real Arup is located in Massachusetts.

On February 25, 2009, one day after incorporation, [REDACTED] opened a business checking account in the name of ARUP, LLC and listed himself as the only signatory for the account.

In testimony in the civil case on February 24, 2010, [REDACTED] admitted that these invoices were for expenses that were not actually incurred by LCOC. In testimony (civil case) on July 28, 2011, [REDACTED] admitted that this company did not provide any services to LCOC and ARUP, LLC had no employees.

Records acquired from LCOC show that on April 1, 2009 and May 1, 2009, ARUP, LLC submitted invoices for "Destiny Florida Urban Design Services ". The invoice dated April 1, 2009 shows a fee to be paid to ARUP, LLC. for the month of May's billing of \$70,000. This invoice also shows that FD Destiny had been billed \$70,000 for each month of February, March, and April where FD Destiny had paid said bills for a total of \$210,000. The invoice dated for May 1, 2009 shows that FD Destiny was getting billed for another \$70,000 for the month of May. This invoice also denotes that FD Destiny had already paid \$210,000 from the previous invoice. The invoices were approved by Pugliese by stamp and written initials. The money paid to ARUP, LLC. came from the monthly capital contribution to LCOC, LLC. from Fred Deluca and/or FD Destiny.

In testimony in the civil case on September 29, 2010, Pugliese admitted that he created ARUP, LLC and generated the fraudulent invoices from this bogus company. Pugliese also admitted that ARUP, LLC did not have any employees and did not provide any services to LCOC.

After Pugliese approved the invoices and FD Destiny paid said bills, bank records show that a [REDACTED] wrote three checks for \$70,000 each (#5170 on 2/16/09) (#5240 on 03/16/09) (#5368 on 04/15/09), from the LCOC account to the fictitious ARUP bank account.

Floridian Community Bank records show that the check #5170 was deposited into the ARUP account on March 6, 2009. Check #5240 was deposited in the ARUP account on April 20, 2009. Check #5368 was deposited into the ARUP account on May 18, 2009

Records show that on May 21, 2009 (\$200,000) and November 6, 2009 (\$9,303.20), two checks were written on the ARUP, LLC account and signed by [REDACTED] to transfer the stolen funds from the phantom account, totaling \$209,303.20, into the operating account of The Pugliese Company.

Fourth Fraudulent Company - Consolidated Transport Consultants, LLC

Florida Secretary of State records indicate that Consolidated Transport Consultants, LLC was incorporated on February 27, 2009 and its registered agent is [REDACTED]. The principal place of

business is listed as 3509 Connecticut Avenue, N.W. Washington, D.C. 20008. Consolidated Transport Consultants, LLC's manager is listed as Kim Caruso, Pugliese's sister.

On February 27, 2009, the same day of incorporation, ██████ opened a business checking account in the name of Consolidated Transport Consultants, LLC and listed himself as the only signatory for the account.

In testimony in the civil case on July 28, 2011, ██████ admitted that Pugliese created Consolidated Transport Consultants, LLC. ██████ further admitted that he opened the bank account for this fake company and that he knew it was not providing services to LCOC. ██████ also admitted that the company did not have any business licenses, nor did it file any tax returns.

Records acquired from LCOC show that on April 1, 2009, Consolidated Transport Consultants, LLC submitted an invoice for "Professional Government Consulting". The fee for this invoice was \$16,500. The invoice was approved by Pugliese by stamp and written initials. The invoice was received by Deluca's company, FD Destiny, LLC and paid.

In testimony in the civil case on September 29, 2010, Pugliese admitted that he instructed his in-house counsel to form this fake company and that the invoices were generated at Pugliese's direction. Pugliese also admitted that Consolidated Transport Consultants did not have any employees and did not provide any services, other than fraudulently billing LCOC.

After Pugliese approved the invoice, bank records show that a check for the entire invoice amount (\$16,500) was written from LCOC's account by Mr. ██████. The date of that check, number 5381, is April 15, 2009. Floridian Community Bank records show that the check was deposited into the account for Consolidated Transport Consultants, LLC on May 20, 2009. Records also show that two earlier checks were written from LCOC's account, check numbers 5226 and 5256, on February 16, 2009 and March 16, 2009 respectively, in the amount of \$16,500 each to Consolidated Transport Consultants, LLC. Floridian Community Bank records show that these checks were deposited into the account for Consolidated Transport Consultants, LLC on March 12, 2009 and April 20, 2009 respectively. The money paid to Consolidated Transport Consultants, LLC. came from the monthly capital contribution to LCOC, LLC. from Fred Deluca and/or FD Destiny.

Records show that on November 4, 2009 a check (\$49,303.20) was written on the Consolidated Transport Consultants, LLC account and signed by ██████ to transfer the stolen funds from the phony account, totaling \$49,303.20, into the operating account of The Pugliese Company.

Fifth Fraudulent Company - Levy Stern & Associates, LLC

Florida Secretary of State records indicate that Levy Stern & Associates, LLC was incorporated on February 27, 2009 and its registered agent is ██████. The principal place of business is listed as 6615 Mahan Drive 104, Tallahassee, FL 32308. Levy Stern & Associates, LLC's manager is listed as Kim Caruso, Pugliese's sister.

On February 27, 2009, the same day as incorporation, ██████ opened a business checking account in the name of Levy Stern & Associates, LLC and listed himself as the only signatory for the account.

In testimony in the civil case on July 28, 2011, ██████ admitted that he was instructed by Pugliese to open the Levy Stern & Associates bank account and that this was a company Pugliese created. ██████ also admitted that this company performed no services for LCOC.

Records acquired from LCOC show that on April 1, 2009, Levy Stern & Associates, LLC submitted an invoice for "April 2009 Consulting Fee". The fee for this invoice was \$18,500. The invoice was approved by Pugliese by stamp and written initials. The invoice was received by Deluca's company, FD Destiny, LLC and paid.

In testimony in the civil case on September 29, 2010, Pugliese admitted that he had his in house counsel form Levy Stern & Associates, LLC and that it had no employees, that it had no business, and that it did not invoice any company other than LCOC.

After Pugliese approved the invoice, bank records show that a check for the entire invoice amount (\$18,500) was written from LCOC's account by ██████. Check, number 5428, is dated April 15, 2009. Floridian Community Bank records show that the check was deposited into the account for Levy Stern & Associates, LLC on May 20, 2009. Records also show that two earlier checks were written from LCOC's account, check numbers 5225 and 5307, on February 16, 2009 and March 16, 2009 respectively, in the amount of \$18,500 each to Levy Stern & Associates, LLC. Floridian Community Bank records show that these checks were deposited into the account for Levy Stern & Associates, LLC on March 12, 2009 and April 20, 2009 respectively. The money paid to Levy Stern & Associates, LLC. came from the monthly capital contribution to LCOC, LLC. from Fred Deluca and/or FD Destiny.

Records show that on July 1, 2009 (\$50,000) and November 6, 2009 (\$5,303.20) two checks were written on the Levy Stern & Associates, LLC account and signed by ██████ to transfer the stolen funds from the bogus account, totaling \$55,303.20, into the operating account of the Pugliese Company.

Sixth Fraudulent Company - A.E.C. Environmental, LLC

On April 7, 2009, ██████ opened a business checking account in the name of A.E.C Environmental, LLC. and listed himself as the only signatory for the account. Unlike the other fraudulent companies, ██████ and Pugliese did not go to the effort of opening a corporate entity in Florida and there is no actual corporate entity that your Affiant has discovered. Instead, this appears to have been nothing more than a bank account.

In testimony in the civil case on July 28, 2011, ██████ admitted that this company name was created by Pugliese and that it performed no services for LCOC.

Despite the admission that it performed no services, records acquired from LCOC show that on March 30, 2009 and April 2, 2009, A.E.C Environmental, LLC submitted invoices for "Wildlife and

E&T Species Surveys". The fee for these invoices was \$36,000.00 and \$23,052.50. The invoices were approved by Pugliese by stamp and written initials. The invoices were received by Deluca's company, FD Destiny, LLC and paid.

In testimony in the civil case on September 29, 2010, Pugliese admitted that he created A.E.C. Environmental, LLC and that he generated the fake invoices for this fraudulent company. Pugliese further admitted that A.E.C. Environmental, LLC had no employees and did not do any work for LCOC.

Bank records show that two checks were written from LCOC's account by [REDACTED]. The date of the checks, numbered 5236 (\$22,480) and 5364 (\$36,000), is March 16, 2009 and April 15, 2009 respectively. Floridian Community Bank records show that the checks were deposited into the account for A.E.C Environmental, LLC on April 10, 2009 and May 19, 2009. The money paid to A.E.C. Environmental, LLC. came from Fred Deluca and/or FD Destiny.

Records show that on July 1, 2009 (\$50,000) and November 6, 2009 (\$8,283.54) two checks were written on the A.E.C Environmental, LLC account and signed by [REDACTED] to transfer the stolen funds from the fraudulent account, totaling \$58,283.54, into the operating account of the Pugliese Company.

Seventh Fraudulent Company - Creative Solutions Environmental, LLC

The last phantom company created was called Creative Solutions Environmental, LLC. While its name is that of "LLC", there is no actual LLC created or recorded by the Florida Secretary of State. Like AEC Environmental, this fake company appears to have been nothing more than a bank account and a fictitious invoice.

On April 7, 2009, [REDACTED] opened a business checking account in the name of Creative Solutions Environmental, LLC and listed himself as the only signatory for the account.

In testimony in the civil case on July 28, 2011, [REDACTED] admitted that this company did not have an occupational license and did not file a tax return. [REDACTED] also admitted that the money paid by LCOC went into Creative Solutions Environmental, LLC's account and was then deposited into The Pugliese Company.

Records acquired from LCOC show that on March 31, 2009, Creative Solutions Environmental, LLC submitted two invoices for "Wetland Flagging". The fee for these invoices was \$166,056.98 and \$110,812.25. The invoices were approved by Pugliese by stamp and written initials. The invoices were received by Deluca's company, FD Destiny, LLC and paid.

In testimony in the civil case on September 29, 2010, Pugliese admitted that he created Creative Solutions Environmental, LLC. Pugliese also admitted that this company had no employees and that it did not provide the services reflected in the invoices.

Bank records show that two checks were written from LCOC's account by [REDACTED]. The date of the checks, numbered 5258 and 5385, is March 16, 2009 and April 15, 2009 respectively. Floridian Community Bank records show that the checks were deposited into the account for Creative Solutions Environmental, LLC on April 10, 2009 and May 19, 2009. The money paid to Creative Solutions Environmental, LLC came from the monthly capital contribution from Fred Deluca and/or FD Destiny.

Records show that on May 21, 2009 (\$150,000) and November 4, 2009 (\$25,585.74) two checks were written on the Creative Solutions Environmental, LLC bank account and signed by [REDACTED] to transfer the stolen funds from the phantom account, totaling \$175,585.74, into the operating account of the Pugliese Company.

Additional scheme to defraud Deluca and FD Destiny, LLC.:

In addition to the theft through fraudulent invoices and monthly capital requests for work never performed by phony companies, the Defendants used a similar scheme to cover a significant theft from Deluca. To accomplish this part of their scheme, they created false journal entries that covered a direct theft with money deposited straight into the Defendant's account from the LCOC operating account. In contrast to the complex scheme detailed above, the Defendants used a simple scheme to steal over Two Hundred Thousand Dollars using the name of a company they had previously terminated. LCOC had retained the services of a real company called "Geotechnical and Environmental Consultants" (hereinafter, "Geotechnical"), that performed legitimate environmental work for LCOC. However, in May 2008 Pugliese terminated Geotechnical. Despite the fact that Pugliese had terminated Geotechnical, he continued to use the Geotechnical name to bill LCOC and generate illicit revenue for his own company. To accomplish this scheme, Pugliese continued to bill LCOC for work supposedly performed by Geotechnical. None of this work was done because Pugliese had already fired them. To hide the diverted funds that were going to Pugliese, [REDACTED] made entries in LCOC's accounting records to falsely reflect that these payments were going directly to Geotechnical and Environmental Consultants. In fact, the cancelled checks subpoenaed from the bank show that the payments went directly to The Pugliese Company and were deposited into The Pugliese' Company's operating account. The money paid into Pugliese's account was derived from the monthly capital contribution from Fred Deluca and/or FD Destiny to the LCOC project.

LCOC account, check #2715 dated on 08/15/08 was for \$61,916.40. Check #2771 dated on 09/15/08 was for \$45,170.54. Check #2917 dated on 10/15/08 was for 53,919.79. Check #3087 dated on 12/15/08 was for \$59,538.75. All four checks were made payable to the Pugliese Company under the guise that it was for Geotechnical & Environmental Consultants. In this part of their scheme, Pugliese and [REDACTED] took \$220,545.48 using the fictitious bills they created for work never done by a company they had fired months earlier. Relying on these false statements showing work performed, the victim of this scheme made the payments and had no idea the money was being directed to Pugliese instead of their true former vendor. Note that I contacted (05/07/12) via phone witness Gary Kuhns, Chief Engineer for Geotechnical and Environmental Consultants. Kuhns advised that he did receive a termination of agreement letter from Pugliese's attorney Doug Marek that was dated May

08, 2008. Kuhns confirmed that Geotechnical and Environmental Consultants did not perform any services for LCOC or bill for any services to LCOC after this letter.

In testimony in the civil case on July 28, 2011, ██████ admitted this fraudulent transfer and testified as follows with respect to these Geotechnical payments:

Q: check number 2917, again, that memo is there so that FD Destiny thought the check was going to Geotechnical.

A: Yes.

Q: But the money actually went to The Pugliese Company operating account.

A: Yes.

Q: The next check, 2771, which is Exhibit 186, the memo says Geotechnical, that was there so FD Destiny believed that it was going to Geotechnical?

A: Yes.

Q: And that's what the monthly funding request would have said as well?

A: Correct.

Q: But the money actually went into the operating account for The Pugliese Company?

A: Yes.

On 04/19/12 I met with Mary McMullen of Floridian Community Bank. McMullen signed the business certification form verifying that the checks that were provided to the Holland and Knight Law Firm were true and accurate copies of checks from Floridian Community Bank.

On 04/24/12 I met with witnesses Bobby Ray and David Friedman. Witness Friedman was employed as a managing director by Rockridge Capital Holdings, LLC. Witness Ray was employed as a business analyst by Rockridge Capital Holdings, LLC. Rockridge Capital Holdings, LLC manages Deluca's businesses. In this case they were overseeing the LCOC, LLC project for Deluca. In a sworn recorded statement witness Ray advised through his analysis and investigation into the LCOC, LLC project finances he discovered that subjects ██████ and Pugliese were defrauding Deluca by forwarding fraudulent invoices to them. Witness Ray also advised he had several conversations over the phone with Pugliese between January and May 2009 in regards to going over the invoices (Ray did not know were fraudulent yet) from the above mentioned fraudulent companies. Ray explained that Pugliese had categorized the vendors and each vendor invoice had to be assigned a category. Ray said when he had contacted Pugliese in an effort to assign the invoices to a category, Pugliese told him what category to place each of the invoices in as if they were legitimate companies/invoices.

On 04/30/12 I contacted witness Alfred Florio in regards to the sworn affidavit (civil case) he signed on March 08, 2012. Florio confirmed the signing of the sworn affidavit and advised that it was a true recollection of his responsibilities and knowledge when assisting Deluca with the LCOC, LLC project.

On 04/30/12 I conducted an interview with witness Randy Johnson by phone. In a sworn recorded statement witness Johnson advised he was the Chief Operating Officer for Pugliese for the LCOC project. Johnson said he did day to day field operations and was in contact with witness Bobby Ray in regards to paying the vendors subsequent to Pugliese and [REDACTED] forwarding the vendor invoices to them. Johnson said that through witness Ray's inquiry into the above mentioned phantom companies he became aware and subsequently confirmed Ray's suspicions that [REDACTED] and Pugliese were scheming to defraud Deluca. Johnson said he contacted Pugliese in regards to witness Ray's inquiry into the phantom business vendors to find out if they were legitimate or not and Johnson explained Pugliese told him that those vendors had provided a service and were legitimate and to tell witness Ray they were approved by him (Pugliese).

On 04/30/12 I reviewed the Pugliese Company bank records (acc#3200000150). The account was listed under the name of Anthony V. Pugliese, Inc D/B/A The Pugliese Company, 101 Pugliese's Way, #200, Delray Beach, Fl. 33444. The signatures listed on the account were Anthony Pugliese and [REDACTED]. Bank records show the checks from the fraudulent companies being deposited/credited to this account. Subjects Pugliese and [REDACTED] comingled funds they received fraudulently with funds already in the account. Bank records also show that Pugliese and [REDACTED] used said funds they obtained under fraudulent pretenses for their own business and personal benefit and/or use which were not included in the agreement with Deluca and not with Deluca's knowledge or authorization.

On 05/01/12 I conducted an interview of Fred Deluca. In a sworn recorded statement Deluca advised he did enter into an unrelated business deal (LCOC, LLC) with Pugliese in 2005. Deluca advised he had trusted Pugliese and Pugliese's assistant [REDACTED] to forward legitimate bills/invoices from vendors that provided a legitimate service for their project and he would authorize the payments into the LCOC account. Deluca advised he did not know Pugliese and [REDACTED] were submitting fraudulent bills/invoices from fraudulent companies that were controlled by Pugliese and [REDACTED] until his representatives told him. Deluca advised he would not have authorized the payments to the fraudulent companies if he had known this from the start and thus believes he was defrauded by Pugliese and [REDACTED].

On 05/02/12 Investigator Degidio and I went to [REDACTED]'s home to interview him. We met [REDACTED] and after identifying ourselves and telling him why we were there for the interview [REDACTED] invited us into his home to proceed with the interview. The interview was recorded. I advised [REDACTED] that he was not under arrest and free to ask us to leave his home. I also explained to [REDACTED] if he did not want to continue with the interview he was free to do so. In a sworn statement [REDACTED] confessed to setting up the phantom companies and forwarding phony invoices to Deluca's representatives for payment under Pugliese's direction. [REDACTED] explained that he was the one who set up the phantom company bank accounts and directed (writing checks) the funds to the Pugliese company bank

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On 05/02/12 Investigator Degidio and I went to [REDACTED]'s home to interview him. We met [REDACTED] and after identifying ourselves and telling him why we were there for the interview [REDACTED] invited us into his home to proceed with the interview. The interview was recorded. I advised [REDACTED] that he was not under arrest and free to ask us to leave his home. I also explained to [REDACTED] if he did not want to continue with the interview he was free to do so. In a sworn statement [REDACTED] confessed to setting up the phantom companies and forwarding phony invoices to Deluca's representatives for payment under Pugliese's direction. [REDACTED] explained that he was the one who set up the phantom company bank accounts and directed (writing checks) the funds to the Pugliese company bank

account under Pugliese's direction under the pretext of reserving money for the future benefit of the Destiny project. ██████ explained that he and Pugliese used the money for some legitimate purposes but also for illegitimate purposes. For example, ██████ said that he and Pugliese used the illegally obtained funds to pay bills and employee's for Pugliese's other business ventures which had nothing to do with Deluca or LCOC. In fact, ██████ advised he was aware that Pugliese used some of the money to pay his personal work staff that took care of his home as well as have a company install an approximately \$150,000.00 sound system in his home. ██████ further advised Deluca did not have any knowledge of the scheme. In conclusion, ██████ confessed to obtaining funds from Deluca under fraudulent pretenses and misrepresentations.

On 05/02/12 Investigator Degidio and I went to subject Pugliese's office and met with Pugliese's attorney, Doug Marek. Marek advised he represents Anthony Pugliese and explained that Pugliese would not meet with us for an interview. I asked Marek if he was the one who set up the phantom companies through the State of Florida Department of Corporations. Marek advised that he did. I then asked Marek if we could talk to him in regards to his involvement in setting up the phantom companies. Marek took us to his office. I asked Marek if we could record the interview. Marek refused to talk if the interview was recorded. I then started to swear Marek in for a verbal interview in the presence of Degidio. Partially through the swearing in Marek advised he did not want to talk to us. Degidio and I left the office.

Note: I was provided with several emails by Deluca's representatives in reference to subjects Pugliese, Alvis Pugliese (son), and ██████'s involvement in an attempt to conceal the truth about the fraudulent companies. The emails were dated May 26, 2009 and May 29, 2009. The emails were from witness Ray wanting to obtain the invoices for the fraudulent companies so he could verify them. Pugliese, ██████, and Pugliese's son were emailing each other on how they can stall their response in sending the requested documents back to Ray. This confirms Pugliese's statement in the civil deposition where he stated that his son, Alvis, had made up the invoices from his personal computer under his direction.

Pursuant to an assignment, FD Destiny Credit, LLC currently holds the promissory note entered between Fred Deluca, Land Company of Osceola County, LLC (LCOC), and LM Land Company, LLC (which is owned by LCOC) related to the purchase of the property in Osceola County. The promissory note is secured by a mortgage on this property. The mortgage is also held by FD Destiny Credit, LLC. In April 2010, FD Destiny Credit filed a mortgage foreclosure action in Osceola County Circuit Court against LCOC and LM Land Company, LLC, Case #2010CA2583MF. The action seeks to foreclose on the property for non-payment of the promissory note. Anthony V. Pugliese intervened in the foreclosure action and sought to stay the foreclosure action. In March 2011, the Osceola County Circuit Court stayed the foreclosure action for a period of one year. The foreclosure action remains pending in Osceola County Circuit Court.

Additional schemes to defraud Deluca:

On 07/09/12 Deluca's representative provided several emails dating in August 2008 on how Pugliese, ██████, and their associates (employees) conspired to make up a fake invoice from one of

Pugliese's companies, RCCI (Roman Construction Company, Inc), for a "moat chilling machine" known as a "chiller" and send the fake invoice to Deluca's representatives, FD Destiny, LLC, and have LCOC pay for the "chiller". The emails refer to Pugliese's moat (pond) he has on his personal residential property. The "chiller" is to keep the water cool so the fish won't die. They state in the email(s) that the cost of the chiller was about \$11,000.00.

On 07/11/12 Deluca's representative provided a copy of the LCOC transaction journal and a copy of check (#2695) that [REDACTED] had signed off on from the LCOC account. The check was dated 08/15/08 and made payable to Roman Construction Company, Inc (RCCI) for \$11,189.00. [REDACTED] had denoted the check for the RCCI operating account, 101 Pugliese Way, Delray Beach. Note that RCCI is one of Pugliese's companies and is operating out of Pugliese's office in Delray Beach. The check confirms the emails between Pugliese, [REDACTED], and their associates on how they conspired and fulfilled their scheme in defrauding Deluca and his representatives pay the funds through the LCOC account for the chiller which is being used by Pugliese for his personal gain and use.

On 10/03/12 Investigator Amaro and I met with witness Alfred Florio. Florio advised he was on his way to the airport and had no time for nor would he give a taped statement. However, Florio did start talking to us once he knew he was not being recorded. Florio advised that he was friends with Fred Deluca for approximately 20 years and was employed by Deluca during the LCOC project. Florio explained he had some meetings with Deluca prior to January 2009 and felt from talking to Deluca that Deluca may not be making the best business decisions regarding the project and thought it may hurt Pugliese and his employees involved in the LCOC project. Florio said he did not believe in what decisions Deluca was making so he contacted Pugliese and told him to start saving some of the money because he thought Deluca may be doing things to hurt the project. Florio said Deluca was not going to do anything criminal against Pugliese or the LCOC project but just make business decisions that he thought would hurt the project. Florio advised he never told Pugliese or [REDACTED] to start saving the money for the project by taking it through illegal and/or criminal means (IE: fictitious companies and billings). Florio said he did not know anything about the fictitious companies and billings until after the fact (May 2009). In reference to the sworn affidavit that he took and signed on March 8, 2012, Florio said it was a true and accurate statement.

On 10/11/12 Deluca's representatives provided a copy of an Agreed Order on Plaintiffs' Motion for Temporary Injunction that was granted via their civil case. The order prevented Defendants Anthony V. Pugliese, III ("Pugliese") and AVP Destiny, LLC ("AVP Destiny") as well as any others acting by or on their behalf, are enjoined from exercising control over the financial affairs of Land Company of Osceola County, LLC ("LCOC") and from holding themselves out as having authority to bind LCOC. The order was granted and signed on October 14, 2009. The investigation uncovered that subsequent this court order Pugliese and [REDACTED] continued to transfer the funds they took by fraudulent means from the fictitious business bank accounts and deposited them into Pugliese's personal business account, The Pugliese Company. For example, [REDACTED] and Pugliese transferred the following: \$9,303.20 on November 8, 2009 from Arup, LLC, \$29,303.20 on November 4, 2009 from Black Walker and Associates, \$49,303.20 from Consolidated Transport Consultants, \$24,303.20 on November 4, 2009 from Corps Consulting, \$5,303.20 on November 6, 2009 from Levy, Stern and Associates, \$8,283.54 on November 4, 2009 from A.E.C. Environmental,

\$25,585.74 from Creative Solutions Environmental. A total of \$151,385.28 was transferred to Pugliese's bank account after the court order.

On 10/23/12 Deluca's representative provided copies of more fictitious invoices sent by Pugliese and ██████ to Deluca and FD Destiny for payments made from the LCOC bank account. LCOC accounting records prepared by ██████ show payments to said vendors, and vendor sworn statements (civil deposition) advising that they never performed services for LCOC and that they did get paid for products or services that benefitted Pugliese personally, Pugliese's other business entities, and some of Pugliese's family members personal property. The money paying Pugliese's personal expenses ultimately came to LCOC through Deluca and FD Destiny's monthly capital contribution.

In this part of the scheme to defraud Deluca and/or FD Destiny, ██████ and Pugliese submitted invoices and subsequently paid for them directly out of the LCOC bank account without Deluca's and/or his representative's knowledge and authorization. The payments made to said vendors were purely done with the intention to only benefit Pugliese personally and had nothing to do with the LCOC project, despite the fact that Pugliese and ██████ claimed that the bills were being paid to benefit LCOC. The following vendors are:

Auman and Associates:

Auman and Associates owner, Kris Auman, performed services at Pugliese's primary residence to install a high end audio and video automation system. The following provided invoices were submitted by Auman and Associates and addressed personally to Anthony Pugliese: October 15, 2008 for \$20,000.00, November 28, 2008 for \$25,840.50, and January 10, 2009 for \$33,684.40. All payments were paid by Pugliese and ██████ using the LCOC, LLC bank account. The money used to pay Auman and Associates ultimately came to LCOC through Deluca and FD Destiny's monthly capital contribution to LCOC.

A payment was processed via a wire transfer for \$20,000 from the LCOC account to the Auman and Associates account on October 15, 2008. A payment was processed via a wire transfer for \$28,827.94 from the LCOC account to the Auman and Associates account on December 01, 2008. A payment was made by check (#5110) for \$20,541.65 from the LCOC account made payable to Auman and Associates on 02/06/09. Auman and Associates deposited said check on 02/09/09. A payment was made by check (#5124) for \$26,303.96 from the LCOC account made payable to Auman and Associates on 02/16/09. Auman and Associates deposited said check on 03/02/09. A payment was made by check (#3157) for \$10,000.00 from the LCOC account made payable to Auman and Associates on 12/17/08. Auman and Associates deposited said check on 12/22/08. A payment was made by check (#1033) for \$10,000.00 from the LCOC account made payable to Auman and Associates on 12/23/08. Auman and Associates deposited said check on 01/07/09. A payment was made by check (#3191) for \$33,267.80 from the LCOC account made payable to Auman and Associates on 01/08/09. Auman and Associates deposited said check on 01/12/09. A payment was made by check (#5008) for \$11,269.90 from the LCOC account made payable to Auman and Associates on 01/15/09. Auman and Associates deposited said check on 01/21/09.

In a sworn statement taken in a civil deposition Auman advised that he installed the system at Pugliese's residence, 3145 N. Ocean Blvd, Delray, Beach, FL. 33483. Auman said he performed some work once involving a defective piece of equipment at Pugliese's office. Auman advised he did not perform any work for the LCOC project. Auman said he would submit the invoices and ██████████ ██████████ would subsequently pay the bills. The total loss and monies paid off of the LCOC account via this scheme was \$160,211.25.

Davis Brother Construction Company:

The president and co-owner Arthur Richard Davis JR advised that his company, Davis Brother Construction, performed services for Pugliese's company, Roman Construction, at a storage building site known as Safe and Secure located off of Johnson Road in the Margate, Broward County. There was an invoice was submitted by Davis Brother Construction addressed to LCOC on 03/16/09 for \$31,782.00.

Payment was made by ██████████ via LCOC check (#5259) dated on 03/16/09 for \$9,500.00. The check was made payable to Davis Brother Construction. The check was deposited by Davis Brother Construction on 03/27/09. ██████████ made another payment via LCOC check (#5388) dated on 04/15/09 for \$31,782.00. The check was made payable to Davis Brother Construction. The check was deposited by Davis Brother Construction on 05/01/09. The money used to pay Davis Brother Construction ultimately came to LCOC through Deluca and FD Destiny's monthly capital contribution to LCOC.

In a sworn statement taken in a civil deposition Davis advised that his company never had a contract to perform services for LCOC and only with Roman Construction at a storage building site known as Safe and Secure located off of Johnson Road in the Margate/Coconut Creek area, Broward County. Davis said they only do work between Miami and Ft. Pierce and never north of Ft. Pierce. The total loss and monies paid off of the LCOC account via this scheme was \$41,282.00.

Maurice Electric, Inc:

The owner Maurice Wilfred Parker advised that his company, Maurice Electric, performed services for Pugliese's company, Roman Construction, at a storage building site known as Safe and Secure located off of Johnson Road in Coconut Creek, Broward County. There was an invoice was submitted by Davis Brother Construction addressed to Roman Construction on 01/27/09 for \$52,568.80.

Payment was made by ██████████ via LCOC check (#5180) dated on 02/16/09 for \$49,023.92. The check was made payable to Maurice Electronic, Inc. The check was deposited by Maurice Electric on 02/19/09. ██████████ had made a prior payment to Maurice Electric via LCOC check (#3110) dated on 12/15/08 for \$11,465.00. The check was made payable to Maurice Electric. The check was deposited by Maurice Electric on 12/23/08. The money used to pay Maurice Electric, Inc. ultimately came to LCOC through Deluca and FD Destiny's monthly capital contribution to LCOC.

In a sworn statement taken in a civil deposition Parker advised that his company never had a contract to perform services for LCOC and only with Roman Construction at a storage building site known as Safe and Secure located off of Johnson Road in Coconut Creek, Broward County. The total loss and monies paid off of the LCOC account via this scheme was \$60,488.92.

Green Edge, Inc:

The Vice President/Secretary Martha Valent of Green Edge, Inc advised in her civil deposition the company performed lawn services primarily for Pugliese personal residence, 3145 N. Ocean Blvd, Gulfstream, FL. Lawn services were also performed at Pugliese's other property at the Carnival Flea Market, Delray Beach. Valent confirmed that said invoices were for services performed on Pugliese's primary residence and not LCOC related interests.

There was an invoice submitted by Green Edge addressed to LCOC on 04/02/09 for \$7,300.00. The invoice was for a service known as Bushhog. There was an invoice submitted by Green Edge addressed to LCOC on 04/15/09 for \$7,973.94. The invoice was for a service known as Bushhog. There was an invoice submitted by Green Edge addressed to LCOC on 05/15/09 for \$4,268.30. The invoice was for a service known as Bushhog. There was an invoice submitted by Green Edge addressed to LCOC on 06/15/09 for \$4,045.28. The invoice was for a service known as Bushhog. Note that all four invoices have a stamp "Project Approved" on them. There is a signature on each stamp that appears to be Pugliese's that shows he confirmed each payment.

Payment was made by LCOC check (#5405) dated on 04/15/09 for \$7,300.00. The check was made payable to Green Edge, Inc. The check was deposited by Green Edge on 04/15/09. Payment was made by LCOC check (#5528) dated on 05/15/09 for \$7,973.94. The check was made payable to Green Edge, Inc. The check was deposited by Green Edge on 05/15/09. Payment was made by LCOC check (#1104) dated on 07/15/09 for \$8,313.58. The check was made payable to Green Edge, Inc. The check was deposited by Green Edge on 07/15/09. The money used to pay Green Edge, Inc. ultimately came to LCOC through Deluca and FD Destiny's monthly capital contribution to LCOC.

In a sworn statement taken in a civil deposition Valent advised Green Edge did not do work for LCOC. Green Edge performed lawn service for Pugliese's residence and his other business interests. Also, Valent advised that they do not have the equipment to perform the Bushhog service (clearing/aerating land). Furthermore, Valent explained that Green Edge has not performed services north of Jupiter, Florida. The total loss and monies paid off of the LCOC account via this scheme was \$23,587.52.

Wasko Carpentry, Inc:

The owner of Wasko Carpentry, Erik Wasko, advised in his civil deposition that his business is a carpentry business where he fabricates and installs cabinetry, moldings, custom millwork, and fabrication of various wood products. Wasko explained that he only has a license to work in Palm Beach County.

There was an invoice submitted on 01/23/09 for \$6,100.00. The invoice was addressed to the Pugliese Company. The invoice was for Wasko to build a Zen house. There was an invoice submitted on 03/18/09 for \$2,880.00. This invoice was addressed to LCOC. The invoice was for Wasko to repair a barbed wire fence. The invoice was approved by what appears to be Pugliese's signature. There was an invoice submitted on 04/14/09 for \$3,840.00. This invoice was addressed to LCOC. The invoice was for Wasko to repair a barbed wire fence. The invoice was approved by what appears to be Pugliese's signature. There was an invoice submitted on 05/12/09 for \$4,496.00. This invoice was addressed to LCOC. The invoice was for Wasko to repair a barbed wire fence. The invoice was approved by what appears to be Pugliese's signature. There was an invoice submitted on 05/28/09 for \$2,851.50. This invoice was addressed to LCOC. The invoice was for Wasko to repair a barbed wire fence. The invoice was approved by what appears to be Pugliese's signature.

On 06/05/09 a payment was made to Wasko by LCOC check (#5600) for \$6,100.00. The check was signed by [REDACTED]. The check was deposited by Wasko on 06/08/09. On 08/21/09 a payment was made to Wasko by LCOC check (#5639) for \$1,404.00.00. The check was signed by [REDACTED]. The check was deposited by Wasko on 08/24/09. On 03/20/09 a payment was made to Wasko by LCOC check (#5341) for \$2,880.00. The check was signed by [REDACTED]. The check was deposited by Wasko on 03/23/09. On 04/16/09 a payment was made to Wasko by LCOC check (#5459) for \$3,840.00. The check was signed by [REDACTED]. The check was deposited by Wasko on 04/17/09. On 05/13/09 a payment was made to Wasko by LCOC check (#5474) for \$4,496.00. The check was signed by [REDACTED]. The check was deposited by Wasko on 04/14/09. On 05/29/09 a payment was made to Wasko by LCOC check (#5595) for \$2,851.50. The check was signed by [REDACTED]. The check was deposited by Wasko on 06/01/09. The money used to pay Wasko Carpentry, Inc. ultimately came to LCOC through Deluca and FD Destiny's monthly capital contribution to LCOC.

In a sworn statement taken in a civil deposition Wasko advised he had done work at Pugliese's residence, his son's residence, his ex-wife's residence, and Pugliese's storage facilities located in Coconut Creek, Boynton Beach, and Delray Beach. Wasko advised that he never did any work for the LCOC project. In regards to the invoice denoting the Zen house, Wasko said he built it for Pugliese at Pugliese's residence, not for LCOC or FD Destiny. In regards to the invoices denoting that barbed wire was repaired, Wasko said he never performed those services. Wasko said he did not really pay attention to who the maker of the checks were, only that he was getting paid the right amount(s). The total loss and monies paid off of the LCOC account via this scheme was \$21,571.50

Furthermore, in an effort to endeavor to obtain more money from Deluca, FD Destiny, and LCOC by means of fraud, Pugliese and [REDACTED] fabricated more invoices in May 2009. For example, the invoice from a company called Cornerstone Government Affairs dated May 01, 2009. The invoice was submitted to FD Destiny for the monthly funding contribution. The invoice was submitted to show proof of the expense, \$15,000.00. The second invoice was from a company called Stateside Associates dated May 01, 2009. The invoice was submitted to FD Destiny for the monthly funding contribution. The invoice was submitted to show proof of the expense, \$22,000.00. The third invoice was from a company called Public affairs Consultants dated May 01, 2009. The invoice was submitted to FD Destiny for the monthly funding contribution. The invoice was submitted to show proof of the expense, \$18,000.00. These invoices were never paid upon by FD Destiny (Deluca)

because this was the time frame when Deluca's representatives became aware of the fraud. Each invoice was stamped as project approved with what appears to be Pugliese's signature. The invoice amounts were also seen in the LCOC quick books in the debit category that ██████ had prepared and submitted. Also, in the civil depositions of Pugliese and ██████, they testified that these particular invoices were submitted for payment for the supposed "Reserve Account". The total amount that Pugliese and ██████ endeavored to obtain by means of fraud was \$55,000.00.

In conclusion, when confronted (in the civil depositions) with the fake companies and false invoices, ██████ and Pugliese claimed that they took the money from LCOC in order to create a "reserve" of money to keep LCOC going in the event Deluca stopped funding the project. However, the facts and scheming behavior by ██████ and Pugliese described above do not demonstrate such a claim. Pugliese and ██████ engaged, and conspired to engage, in a systematic, ongoing course of conduct with intent to defraud Deluca, FD Destiny, LLC, and LCOC to obtain property or to endeavor to obtain by false representations and that they acquired property by use of this scheme and that the property obtained totaled a value of \$1,195,280.61. ██████ and Pugliese did this by creating false companies, generating false invoices for work never performed, stealing directly from the LCOC bank account for personal gain and benefit, and thereby accomplishing the theft of funds through fraud, and then, with an effort to conceal or disguise the nature, location, source and ownership or control of the stolen money, to move it into another bank account they controlled. Deluca and his representatives did not know about or authorize any of these illegal transactions. Pugliese and ██████'s claim that they were justified in stealing, for the purpose of creating a "reserve account" is a pretext and is not a legal justification for theft.

Due to the above information there is probable cause to charge subjects Anthony Pugliese and ██████ with the following criminal offenses:

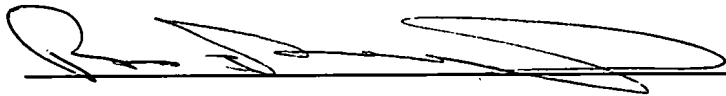
Florida Money Laundering Act exceeding \$100,000 (one count @ \$1,195,280.61) whereby Anthony Pugliese and ██████, through their phantom businesses and fictitious invoices, knew that the property involved in a financial transaction represents the proceeds of some form of unlawful activity (Fraud), to conduct or attempt to conduct such a financial transaction which in fact involves the proceeds of specified unlawful activity (Fraud): with the intent to promote the carrying on of specified unlawful activity (Fraud), per F.S.S. 896.101(3)(a)(1) or (2) and (5)(a)

Conspiracy to Commit Organized Scheme to Defraud over \$50,000 (one count @ \$1,195,280.61) whereby said subjects used a systematic, ongoing course of conduct with intent to defraud one or more persons, or with the intent to obtain property from one or more persons by false or fraudulent pretenses, representations, or promises or willful misrepresentations of a future act per F.S.S. 817.034(4)(a)1, 777.04(3).

Grand Theft over \$100,000 (four counts @ \$765,645.67) whereby said subjects knowingly obtained or used, or endeavored to obtain or to use, the property of another with the intent to, either temporarily or permanently: deprive the other person of a right to the property or a benefit from the property and/or appropriate the property to his own use or to the use of any person not entitled per F.S.S 812.014(1) and (2)(a).

Grand Theft between \$20,000 and \$100,000 (six counts @ \$293,983.72) whereby said subjects knowingly obtained or used, or endeavored to obtain or to use, the property of another with the intent to, either temporarily or permanently: deprive the other person of a right to the property or a benefit from the property and/or appropriate the property to his own use or to the use of any person not entitled per F.S.S 812.014(1) and (2)(b).

Grand Theft over \$300.00 (seven counts @ \$135,651.22) whereby said subjects knowingly obtained or used, or endeavored to obtain or to use, the property of another with the intent to, either temporarily or permanently: deprive the other person of a right to the property or a benefit from the property and/or appropriate the property to his own use or to the use of any person not entitled per F.S.S 812.014(1) and (2)(c).




Signature of Arrest/Investigating Officer

Name of Officer: Investigator Robert Flechaus
Office of the State Attorney,
401 N. Dixie Highway
West Palm Beach, FL. 33401

State of Florida
County of Palm Beach

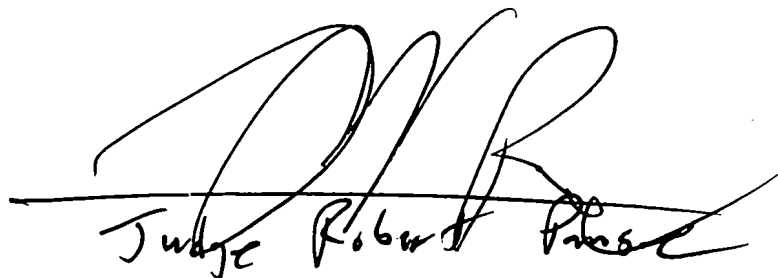
The foregoing instrument was acknowledged before me this 25th day of October, 2012 by Robert Flechaus, SAO Investigator, who is personally known to me.

 SAO # 15

Notary Public/Clerk of Court/Officer (F.S.S. 117.10)

Sworn to before me on October 25, 2012.

State Attorney Office
ID Produced


Judge Robert Press