



ARIZONA CORPORATION COMMISSION

FOR IMMEDIATE RELEASE: June 19, 2008

CONTACT: Rebecca Wilder (602) 542-0844

ACC Thwarts Unregistered Bio-fuel and Promissory Note Investments

PHOENIX, AZ—The Arizona Corporation Commission today issued Cease and Desist orders for companies that were fraudulently promoting unregistered investment opportunities, one involving bio-fuels and another involving promissory notes secured by deeds of trust. Through these orders, the Commission put a stop to the investment schemes before they became widespread.

Panama Capital Funding, LLC and its managing members, Benjamin Ray O'Toole and Christopher Shane Strickland, both of Tempe, agreed to pay a \$5,000 administrative penalty for fraudulently promoting an unregistered investment opportunity involving bio-fuels. Through their businesses, Panama Capital Funding and International Funding Network, O'Toole and Strickland sold "shares" in Algaecake Technologies Corporation and Panagreen Bio Fuels, Inc. Neither of the businesses was incorporated, and neither O'Toole, Strickland nor their companies were registered to offer or sell securities in Arizona.

Through numerous web sites, O'Toole and Strickland informed potential investors that their money would be used to build multi-acre, "bio-reactor" farms adjacent to coal-fired power plants and that carbon dioxide emissions from the plants would be captured and fed to algae, thus enabling the production and later sale of large quantities of oil. While representing the investment as an opportunity for average investors, O'Toole and Strickland sought individual investments ranging from \$100,000 to \$500,000. They promised astronomical returns within 30 months, but failed to disclose how the returns were calculated or that investors could lose money. In settling this matter, O'Toole and Strickland neither admitted nor denied the Commission's findings, but agreed to the entry of the consent order.

In another case, Donald Anthony Tomasian and his Scottsdale-based company, Bella Funding, LLC, agreed to pay a \$10,000 administrative penalty for fraudulently promoting an unregistered investment opportunity involving promissory notes secured by deeds of trust. Tomasian and his company were not registered to offer or sell securities in Arizona.

Bella Funding solicited prospective investors through a web site and newspaper ads, promising a monthly income from accrued interest on a promissory note executed between a borrower and an investor. The underlying promissory note was secured by a deed of trust to a piece of real estate. The ads described the investment as involving residential and commercial properties with low loan-to-value ratios and included a mortgage broker license number. The Commission found, however, that the license number was not for Bella Funding but was assigned to First Choice Mortgage, Inc., a licensed mortgage broker that employed Tomasian as a loan officer.

Tomasian was operating a branch office of First Choice Mortgage out of his home, and he further misled investors by failing to disclose the multiple legal actions filed against him, including a bankruptcy; a federal tax lien and several civil judgments. In settling this matter, the Tomasian and his company neither admitted nor denied the Commission's findings, but agreed to the entry of the consent order.

The full text of the Commission orders can be viewed at:
<http://www.azcc.gov/divisions/securities/enforcement/enforce-orders.asp>

Caution for investors:

Investors need to be especially cautious now because unscrupulous promoters may use the recent rise in oil prices to fraudulently promote investments in alternative fuels. Even when investing with someone they know, investors should verify the registration of sellers and investment opportunities and investigate disciplinary histories by contacting the Arizona Corporation Commission's Securities Division at 602-542-4242 or toll free in Arizona at 1-866-VERIFY-9. The Division's investor education web site also has helpful information at www.azinvestor.gov.

###