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SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

AUG 14 2009

ALAN CARLSON, Clerk of the Court

BY: N. LAU DEPUTY

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Hattie Bryant and Bruce Camber

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

HATTIE BRYANT and
BRUCE CAMBER, a married couple,

CASE NO. 30-200900122059

Hon. Randell L. Wilkinson, Judge

Plaintiffs/Cross-Defendants,

DECLARATION OF ROBERT HEATON

v.
JOHN GARCIA

Defendant/Cross-Complainant

And Related Cross-Action

Date: September 17, 2009

Time: 1:30PM

Dept: C-25

I, Robert Heaton, do hereby swear, declare and affirm the following as true of my own personal knowledge:

1. I contacted John P. Garcia while looking for a Venture Capital firm to intern with during the spring of 2007. At a meeting, Mr. Garcia explained that I would need to invest \$25,000 to make sure I had "skin in the game" before he could take me as an unpaid intern. Mr. Garcia showed me a partially covered list of companies that I would be investing in if I subscribed and purchased an interest in Angel Strategies, LLC. He said he could not let me have the list.

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DECLARATION OF ROBERT HEATON

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2. Mr. Garcia also described the Angel Strategies business plan. He said that Angel Strategies invests in early-stage startups and continues the relationship through a public offering, rather than selling off the company early. He stated that Angel Strategies had over 200 investors providing \$1Million per year for its investments. Investments included major companies like Broadcom, Jet Blue, and Wyse.

On the 21st of July 2007 (some months after I had invested \$25,000 in Angel Strategies, LLC), I received a list of Angel Strategies' investments from John Garcia. This listed 25 companies and claimed a minimum value of \$34Million. I began to investigate these one by one, and directly contacted many of these companies and asked about the involvement with Angel Strategies and the strength of its investment. I became suspicious during the summer of 2008. By December 2008 I had discovered that at least 22 of these companies had no value. The other three did not respond to my repeated attempts to contact them. From this, and web-based data I concluded that all of these companies had no significant value.

Further, in several cases, the companies were disgruntled customers of Angel Strategies that claimed they were defrauded of cash by John Garcia and Angel Strategies, and that the stock ownership was bartered as part of this deal. Since Angel Strategies had not performed on the consulting work it was to have performed, the stock had never been granted to Angel Strategies.

These facts started to become apparent in August 2008. I contacted Mr. Garcia repeatedly to give him an opportunity to show me documentation to refute these facts. After many excuses, such as "computer problems," Mr. Garcia admitted to me that in several cases stock ownership was disputed by the companies and had not been issued to Angel Strategies.

When I continued to press for documentation, Mr. Garcia offered me my money back. However, from that time until I exposed him on the internet, I received no return communication from Mr. Garcia. The money has not been returned.

3. During 2007 I also invested \$25,000 in another company "Vavici" through Angel Strategies, LLC. This quickly collapsed, losing all the investors' money. Mr. Garcia made a percentage on the investment. He did not invest himself.

4. I also invested \$25,000 in another of Mr. Garcia's ventures call "Innovateur." I learned later that Mr. Garcia did not invest cash himself in this his newest company. In fact, I requested a bank

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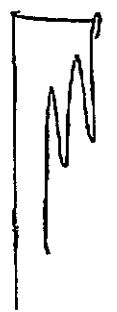
statement for the company and discovered he paid himself \$5,000 per month from the investors' money. The company has returned no money to the investors and has burned through 80% of the venture funds raised. Mr. Garcia committed to investors that he had \$10M in investment into the company ready to go. This has not happened. The company currently has no employees. His partners in this venture separated from him. There is around \$70,000 in cash remaining. The partners sent an email to all the investors stating that if further investments were not forthcoming within 6 months they would close the company.

5. I have received K1's from Mr. Garcia which clearly do not accurately value the assets of Angel Strategies.

6. During my investigation of Mr. Garcia, I was in communication with six of his investors. None had invested \$1Million, and none had received any of their money back. Further, I have seen documentation from an alleged investor listed on Angel Strategies' December 2008 website as an investor directly refuting any investment by him.

7. In conclusion, I have invested in three separate ventures through John Garcia. Two are a total loss, the remaining one may return 20c on the dollar at best.

I declare under penalty of perjury pursuant to the laws of the State of California that the foregoing is true and correct. Executed at Chicago, Illinois on August 14, 2009.



Robert Heaton