

February 25, 2003

Dear BFA Investor:

I am writing this as my inaugural letter to you in my capacity as Arizona's Attorney General. As you are aware, the previous administration worked diligently to initiate the criminal prosecution of those responsible for your loss. I want to assure you that I will continue the criminal prosecution of this case with the utmost determination and strive to reach an acceptable resolution of the case.

I would also like to take this opportunity to update you on the status of the cases and upcoming court dates. Please keep in mind, of the original eight defendants, three have pled guilty and have agreed to cooperate with the prosecution.

Four of the remaining five defendants have filed motions requesting the court to dismiss the criminal charges and send the case back to the grand jury. The State now has until March 3, 2003, to submit responses to the defendants' motions. On this matter, oral argument has been scheduled for April 11, 2003, at 9:30 a.m. before Judge Frank T. Galati, Maricopa County Superior Court, East Court Building, 101 West Jefferson, 6th Floor, Phoenix, AZ 85003, (602) 506-3126.

In addition, Judge Galati has set a deadline of May 19, 2003, for the defense to file any motions which do not require the presentation of evidence. The State will have until June 19, 2003, to respond to these motions. Oral argument and a status conference has been scheduled on these matters for July 11, 2003 at 9:00 a.m. before Judge Frank T. Galati. This hearing will be held in the same courtroom listed above.

You are not required to attend either hearing. However, you have the lawful right to be present. If you are planning to attend, please be advised it is common for court proceedings to be delayed or rescheduled for various reasons. If you plan to attend these hearings, you may want to call the Arizona Supreme Court at (602) 506-7353 one day in advance to verify that the hearing has not been continued.

In addition to drafting a response to the pending motions for remand, this office is preparing a response due on March 3, 2003, to defendant Grabinski's Petition for Review to the Arizona Supreme Court. Defendant Grabinski is appealing Judge Galati's ruling in which he denied Grabinski's motion to disqualify the Attorney General's Office from the prosecution of his case. The Court of Appeals has already denied Grabinski's appeal and he is now seeking review by the Arizona Supreme Court.

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In the meantime, the Attorney General's Office of Victim Services will continue to keep you informed of any changes or hearings in this matter. For the most up to date case information, you may check our website at www.ag.state.az.us or call our BFA Help Line at (602) 364-1275 or if you are outside Maricopa County, 1-866-823-6577. Should you need additional assistance, our advocates can be reached via email at bfa@ag.state.az.us.

Sincerely,

Terry Goddard
Arizona Attorney General