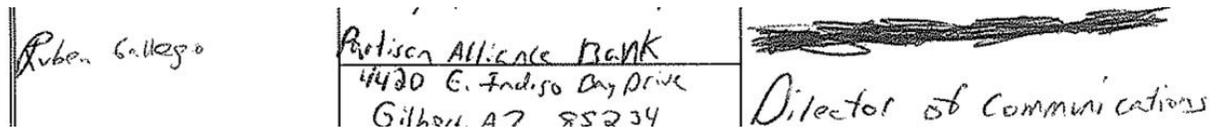


Ruben Gallego was a director at a shady bank that reportedly defrauded immigrant families and Latinos in Arizona. Gallego made tens of thousands of dollars off the company, which was ultimately shut down amid the fraud allegations.

Ruben Gallego was the Director of Communications for a business in Arizona called Partisan Alliance, a bank targeting immigrants and the Latino community.

- Gallego’s 2013 and 2014 financial disclosures show he worked as Partisan Alliance’s communications director. “Gallego’s financial disclosures from 2013 and 2014 show he received about \$27,000 from Carrillo’s Partisan Alliance working as its communications director. He also owned stock in the company, but Arizona regulators said shareholders were not compensated.” (Ronald Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” [Arizona Republic](#), 3/20/23)
- Per his FY’2013 Financial Disclosure Statement filed with the State of Arizona, Ruben Gallego was ‘Director of Communications’ for Partisan Alliance Bank as a source of his personal compensation.



The image shows a handwritten financial disclosure form. On the left, the name 'Ruben Gallego' is written. In the center, the employer is identified as 'Partisan Alliance Bank' with the address '4420 E. Indigo Bay Drive, Gilbert, AZ 85234'. On the right, the title 'Director of Communications' is written. There is a large blacked-out area above the title.

(FY 2013, [Financial Disclosure Report](#), Filed 01/31/14)

- **Editor’s Note:** As an elected official on the state-level in Arizona, Gallego was [required](#) to list the name and address of each employer who paid him more than \$1,000 in compensation during the period covered by the report.
- Gallego “helped pushed for a bank targeting immigrants.”

Arizona U.S. Senate candidate Ruben Gallego helped push for a bank targeting immigrants. The man and company behind it spiraled downward when the idea crumbled.

(Ronald Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” [The Arizona Republic](#), 3/20/23)

- Gallego had sought to help create a bank for “underserved Latino communities.” “Ruben was inspired to help create a bank for underserved Latino communities, who were being denied access to mortgages because they didn’t have credit scores,” said Rebecca Katz, Gallego’s campaign consultant. “When the project’s leadership struggles became apparent, Ruben left and found new ways to serve and expand economic opportunities for working families.” (Ronald J. Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” [Arizona Republic](#), 3/20/23)

- **Partisan Alliance has described their role as helping the Hispanic and immigrant “community to achieve their ‘American Dream.’”** “Partisan Alliance Corporation (PAC) provides services and products to the Hispanic community and other immigrants in the United States. The community requires a wide range of solutions to improve their standard of living and in their pursuit of happiness. PAC’s role is to step in and assist the community to achieve their ‘American Dream’. Our intent is to help them evolve and succeed in life.” (What Is PAC?, [Partisan Alliance Corporation](#), Accessed 02/07/23)

Gallego's financial disclosures show he received about \$27,000 working for Partisan Alliance and owned stock in the company.

- **Gallego's 2013 and 2014 financial disclosures show he received about \$27,000 working for Partisan Alliance.** “Gallego’s financial disclosures from 2013 and 2014 show he received about \$27,000 from Carrillo’s Partisan Alliance working as its communications director. He also owned stock in the company, but Arizona regulators said shareholders were not compensated.” (Ronald Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” [Arizona Republic](#), 3/20/23)

The year after Gallego earned tens of thousands of dollars from Partisan Alliance, the organization only had an annual revenue of \$1,540 and operated at a loss of over \$17,500.

- **In 2015, Partisan Alliance had an annual revenue of just \$1,540 while losing more than \$17,500.** “For all of 2015, Partisan Alliance had revenue of just \$1,540, the corporation commission wrote. It lost more than \$17,500 that year, and its liabilities outstripped its assets by \$87,000.” (Ronald Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” [Arizona Republic](#), 3/20/23)
- **Per his Annual Financial Disclosure filed on August 14th, 2015, Ruben Gallego reported earning \$12,000 from Partisan Alliance for FY2014 and \$15,000 the previous year.**

SCHEDULE C: EARNED INCOME			
Source	Type	Amount Current Year to Filing	Amount Preceding Year
Salt River Project	spouse salary	N/A	N/A
Partisan Alliance	salary	\$12,000	\$15,000

(Amended Report, [Clerk of The House of Representatives](#), Filed 08/14/15)

- **Editor’s Note:** Ruben Gallego initially disclosed earning \$24,000 from Partisan Alliance from January 2014 to the date of the filing, and \$15,000 the previous year. In his amended report that was filed on August 14th, 2015, Gallego disclosed earning only \$12,000 from Partisan Alliance.

Partisan Alliance sold securities without a license, and the Arizona Corporation Commission said the company conducted “fraud” in connection to the sale of the securities.

13 The Securities Division ("Division") of the Arizona Corporation Commission ("Commission")
14 alleges that respondents Partisan Alliance Corporation and Joseph J. Carrillo have engaged in acts,
15 practices, and transactions that constitute violations of the Securities Act of Arizona, A.R.S. § 44-1801
16 *et seq.* ("Securities Act").
17
18 The Division also alleges that Joseph J. Carrillo is a person controlling Partisan Alliance
19 Corporation within the meaning of A.R.S. § 44-1999(B), so that he is jointly and severally liable under
20 A.R.S. § 44-1999(B) to the same extent as Partisan Alliance Corporation for its violations of the
antifraud provisions of the Securities Act.

(Docket Number: S-21067A-18-0416, Partisan Alliance Corporation, Notice of Opportunity, [Arizona Corporation Commission](#), Filed 12/31/18)

- **Joseph Carrillo was the President of Partisan Alliance Corporation and he was not registered as a security salesman or dealer.**

3 2. Partisan Alliance Corporation ("Partisan") is a corporation organized under the laws of
4 the state of Arizona on December 4, 2007. Joseph J. Carrillo has been the president of Partisan since its
5 incorporation. Partisan has not been registered by the Commission as a securities salesman or dealer,
6 and none of Partisan's securities have been registered by the Commission.
7
8 3. Joseph J. Carrillo ("Carrillo") has been a married man and an Arizona resident since at
9 least January 1, 2015. Carrillo has not been registered by the Commission as a securities salesman or
dealer.

(Docket Number: S-21067A-18-0416, Partisan Alliance Corporation, Notice of Opportunity, [Arizona Corporation Commission](#), Filed 12/31/18)

- **On LinkedIn, Joseph Carrillo presently lists himself as 'Chief Executive Officer' of Partisan Alliance Corporation.**



Experience



Chief Executive Officer
Partisan Alliance Corporation
Feb 2007 - Present · 16 yrs 1 mo

([Joseph Carrillo LinkedIn](#), Accessed 02/07/23)

- **Joseph Carrillo is listed as the cofounder and CEO of Partisan Alliance.**

PAC LEADERSHIP



Joseph Carrillo is the cofounder, Chairman and CEO of PAC. Joseph has had a long and distinguished career in insurance and mortgage industries with primary focus on the Hispanic community. Joseph has started four companies over his career all of which were financially successful. Joseph is very involved in the community development and social justice. He participates in different board meetings of a diversity of non-profit organization, is involved in charter schools for assessment of the quality of education.

Joseph Carrillo
Chief Executive Officer



(Our Team, PAC Leadership, [Partisan Alliance](#), Accessed 02/07/23)

The company offered those educational and immigration advocacy services” to “increase migrant confidence in Partisan as a mortgage bank.” Prior, Partisan Alliance’s original plan was to offer “immigrants without social security numbers” loans.

- Partisan Alliance offered classes on English as a second language, obtaining U.S. citizenship and getting a GED for Spanish speakers. “Instead, the company offered other services to the immigrant community, such as classes on English as a second language, obtaining U.S. citizenship and getting a GED for Spanish speakers.” (Ronald J. Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” [Arizona Republic](#), 3/20/23)
- Partisan Alliance Corporation provided educational services and immigration services that “were oriented toward the Hispanic community in particular” which included Spanish-language General Educational Development classes, English as a second language classes, and citizenship classes.

	FACTS
17	
18	7. Partisan is a company that provided educational services such as Spanish-language
19	General Educational Development classes, English as a second language classes, and citizenship
20	classes. It also provided immigration advocacy services. These services were oriented toward the
21	Hispanic community in particular.

(Docket Number: S-21067A-18-0416, Partisan Alliance Corporation, Notice of Opportunity, [Arizona Corporation Commission](#), Filed 12/31/18)

- Partisan Alliance Corporation’s original plan “...was to be a mortgage bank offering ITIN (individual tax identification number) loans to immigrants without social security numbers” and the “...original purpose of Partisans educational and immigration advocacy services was to increase migrant confidence in Partisan as a mortgage bank.” The company “struggled with very small earnings from 2007 – 2015.”

1	9. Partisan’s educational and immigration advocacy services were a pivot from
2	Partisan’s prior business plans. Partisan’s original plan was to be a mortgage bank offering ITIN
3	(individual tax identification number) loans to immigrants without social security numbers. A
4	Partisan subsidiary previously had a mortgage banking license, but this licensed lapsed, and the
5	subsidiary never made any mortgage loans. The original purpose of Partisan’s educational and
6	immigration advocacy services was to increase immigrant confidence in Partisan as a mortgage bank.
7	Partisan’s plans expanded to the development of residential real estate, but those development plans
8	were later abandoned. Partisan struggled with very small earnings from 2007–2015.

(Docket Number: S-21067A-18-0416, Partisan Alliance Corporation, Notice of Opportunity, [Arizona Corporation Commission](#), Filed 12/31/18)

Between 2007 and 2013 – the year when Gallego began working with Partisan Alliance –the company took money from five investors totaling \$470,000.

- **Between 2007 and 2013 – the year when Gallego began working with Partisan Alliance – the company took money from five investors totaling \$470,000, and about half the money went to Carrillo.** “Between 2007 and 2013 – the year Gallego began working with the company – Partisan Alliance took money from five investors totaling \$470,000, records show. About half the money went to Carrillo from Partisan Alliance in the form of a loan, according to the corporation commission.” (Ronald Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” *The Arizona Republic*, 3/20/23)
- **Carrillo told “...at least one Investor that his investment would ‘double.’”**

12 15. Carrillo misrepresented to at least one Investor that his investment would “double,”
13 and Carrillo solicited additional investment funds from another Investor by misrepresenting that his
14 prior investment was earning 54% interest. However, these statements greatly exaggerated the actual
15 rate of return because these Investors’ Notes promised only 10% interest.

(Docket Number: S-21067A-18-0416, Partisan Alliance Corporation, Notice of Opportunity, [Arizona Corporation Commission](#), Filed 12/31/18)

None of Partisan’s Investors had received any return.

- **None of Partisan’s Investors had received any return.**

16 16. None of Partisan’s Investors have received any return.

(Docket Number: S-21067A-18-0416, Partisan Alliance Corporation, Notice of Opportunity, [Arizona Corporation Commission](#), Filed 12/31/18)

- **The Arizona Republic reported that “none of the investors had received any return of their money.”** “By that time, none of the investors had received any return on their money, the Corporation Commission noted.” (Ronald Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” *The Arizona Republic*, 3/20/23)

The Arizona Corporation Commission sought \$83,000 in restitution and a \$20,000 penalty from Partisan Alliance.

- **The Arizona Corporation Commission sought \$83,000 in restitution and a \$20,000 penalty from Partisan Alliance.** “The commission sought \$83,000 in restitution and a \$20,000 penalty.” (Ronald J. Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” *Arizona Republic*, 3/20/23)
- **The Arizona Corporation Commission ordered that the restitution funds would be distributed to the investors on a pro-rata basis.**

4 The Commission shall disburse the funds on a pro-rata basis to investors shown on the records
5 of the Commission. Any restitution funds that the Commission cannot disburse because an investor
6 refuses to accept such payment, or any restitution funds that cannot be disbursed to an investor
7 because the investor is deceased shall be disbursed on a pro-rata basis to the remaining investors
8 shown on the records of the Commission. Any funds that the Commission determines it is unable to
9 or cannot feasibly disburse shall be transferred to the general fund of the state of Arizona.

(Docket Number: S-21067A-18-0416, Partisan Alliance Corporation, Decision – Order to Cease & Desist, [Arizona Corporation Commission](#), Filed 04/26/19)

- **In April 2019, the Arizona Corporation Commission filed paperwork to force Partisan Alliance to stop violating state laws against selling securities while unlicensed to do so.** “In April 2019, the corporation commission filed legal papers to force Partisan Alliance to stop violating the state’s laws against selling securities while unlicensed to do so.” (Ronald J. Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” [Arizona Republic](#), 3/20/23)
 - **The decision to order a cease and desist was filed in April 2019.**

04/26/2019	Decision - Order to Cease & Desist	A.C.C. (#77158)
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(Docket Number: S-21067A-18-0416, Partisan Alliance Corporation, [Arizona Corporation Commission](#), Filed 12/31/18)

The Arizona Corporation Commission formally dissolved the Partisan Alliance after it failed to submit annual reports.

- **In 2019, the Arizona Corporation Commission formally dissolved the Partisan Alliance after it failed to submit annual reports beginning in 2018.** “In August 2021, the corporation formally dissolved the Partisan Alliance after it failed to submit annual reports beginning in 2018.” (Ronald J. Hansen, “Before Congress, Rep. Ruben Gallego boosted a migrant bank plan that crumbled,” [Arizona Republic](#), 3/20/23)