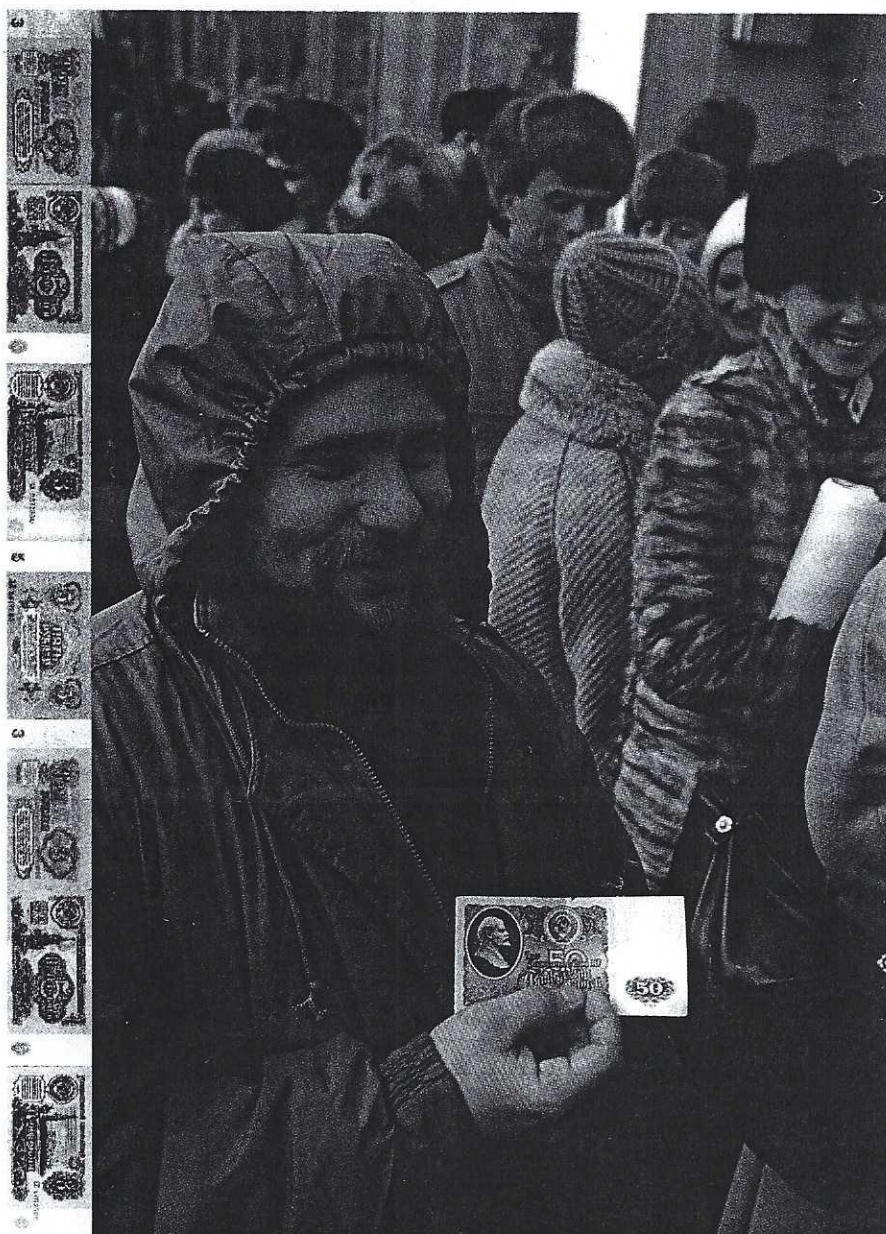


The Great Debate: Who Was Behind the Ruble Follies?



Kiss those babies good-bye: Soviets lined up to turn in 50 and 100 ruble bills.

Summary: Rumors of billions of rubles available to be traded for Western currency swirled in the months before the Soviets seized 50 and 100 ruble notes. Moscow claimed the deals were part of a conspiracy to ruin its economy. Indeed, people were trying to trade rubles — or make a fast buck by claiming they were.

By Holman Jenkins Jr.

In a gigantic, worldwide conspiracy to sabotage a failing economy, a group of Western banks had been helping spirit billions of paper rubles out of the Soviet Union. Like Robin Hood in reverse, the world's rich and powerful were lining their pockets with the precious capital of the Soviet Union while that desperate country grew poorer and poorer. And the whole business was the secret work of "certain groups resembling the Colombian mafia" planning to overthrow President Mikhail Gorbachev.

No, this isn't the dust jacket copy of a bad suspense novel. This outlandish theory was revealed in February by none other than Valentin S. Pavlov, who simultaneously holds the title of prime minister and finance minister of the Soviet Union. It was instrumental in the decision by the Soviet government Jan. 22 to confiscate all 50 and 100 ruble bills — an act of hysteria even for a nation on the edge.

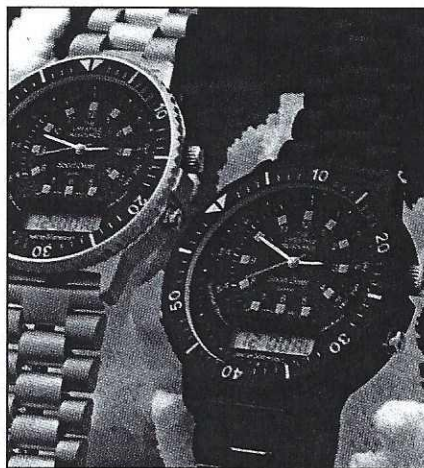
Even if the conspiracy theory seemed like low comedy, not every-

ROBERT TONKING / SABA

An American Original Our 100% natural cotton Hatteras Hammock invites you to lie back and relax in total comfort with room enough for two. This quality handcrafted hammock is made of soft, flexible, strong twill rope woven for maximum coolness and comfort. Solid oak spreaders keep hammock open and provide stability so you can get on and off easily. Includes heavy-gauge, rust-resistant hardware for hanging. Overall length 13 ft. **\$99.95** #3710. Enamel-coated steel frame lets you enjoy the hammock on your deck, patio, porch or other flat surfaces. Easy assembly. **\$99.95** #3720. Large cotton duck pillow resists water, stains and mildew. **\$29.95** #3730. Federal Express not available.



Lifestyle Sport Diver Watch Our Lifestyle Resource digital-analog chronometer swims with you (to a depth of 150 feet), calculates your speed, wakes you, and tells you the day/date. Digital display converts to 24-hour timekeeping. Powered by a highly accurate quartz movement. Luminous analog hands and hour markers. Stopwatch times to 1/100th of a second. Rotating bezel tells you when the parking meter needs another quarter! Adjustable fit.



\$49.95. Teflon-coated black-matte anodized stainless steel #3610; stainless steel and gold-plated #3620.

5 Ozs. Of World Geography This 5 oz. light-weight World Map Jacket features eye-catching, brilliantly colored, remarkably detailed and accurate map graphics created by a 150-year-old cartographic firm. It's lighter, warmer and more comfortable than nylon because it's made of DuPont TYVEK™ --a non-woven, paper thin manmade material that's wind, water, and stain-resistant. This *all-season* jacket has two deep, roomy pockets and black knit ribbing at the neck, cuffs and waist for extra comfort and snug protection. Whether you're walking, cycling, jogging, golfing, boating, skiing or just hanging around and having fun, it's a real conversation piece...and great to carry along for unexpected weather changes! Machine wash -air dry. Available in unisex sizes. **\$49.95** S #4080, M #4090, L #5000, XL #5010.



Natures Deodorant Le Crystal Naturel is a crystalline rock of 100% mineral salts. Moisten and smooth this unscented, silky smooth stone over your skin to create an invisible, non-sticky shield of all-natural mineral salts that prevents the formation of odor-causing bacteria. Le Crystal Naturel will not clog pores so your body maintains its cool naturally. It doesn't contain harsh chemicals, perfumes or dyes so it's perfect for sensitive skin and won't stain your clothes.

One palm-sized crystal should last for a whole year. Comes in a handy plastic travel pouch. Set of 2 **\$29.95** #4050.

TOLL FREE
24 HRS. A DAY
800-372-5200
**THE LIFESTYLE
RESOURCE®**

SEND TO (PLEASE PRINT)

ADDRESS

CITY

STATE

ZIP

☐ CHECK OR MONEY ORDER ☐ MASTERCARD ☐ VISA ☐ AMEX SIGNATURE

ACCT. #

EXP. DATE

Shipping Charge covers UPS, handling and insurance for guaranteed delivery.

Federal Express delivery available for an additional \$7.50 per order.

Up to \$ 40.....	\$ 5.95	\$100.01 to \$150.....	\$14.95
\$40.01 to \$ 50.....	\$ 6.95	\$150.01 to \$200.....	\$16.95
\$50.01 to \$ 70.....	\$ 8.95	\$200.01 to \$250.....	\$19.95
\$70.01 to \$100.....	\$11.95	Over \$250.....	\$21.95

Canadian residents we cannot accept mail orders, please call (614) 794-2662.

ORDER WITH CONFIDENCE

- Most orders ship within 48 hours of receipt.
- Credit Card orders billed only upon shipment.
- No risk 30-day return privilege.



THE LIFESTYLE RESOURCE® • DEPT. NSTF31; 921 EASTWIND DR. SUITE 114; WESTERVILLE, OH 43081

THE MEDIA DEVELOPMENT GROUP

©1991 X134 ADVERTISEMENT

body was laughing. In fact, more than a few Western bankers were feeling distinctly queasy. As it happens, for the preceding six months, a lot of them had been trying to buy and sell rubles — or at least had been on the receiving end of a blizzard of telephone calls, faxes and flying visits by businessmen who claimed to be buying and selling them.

Of course, none of this at the time seemed like a conspiracy. Sure, it had always been illegal to take rubles out of the country. But wasn't *perestroika* changing all the rules? The rapidly widening gap between the Soviet currency's official price and its black market price looked like the opportunity to make the killing of a lifetime.

But most of all, the ruble mania that seemed to grip many bankers and businessmen was a phenomenon of the information age. The fax machine and international direct dialing combined with the age-old lure of instant wealth to create a global frenzy with a life of its own. And like all global frenzies, this one was riven with conspiracy theories of its own, fueled by gossip and rumor and hints that the world's Big Boys were involved.

"I've known people here residing in the biggest hotels, throwing money around and pretending they were going to come up with huge volumes of rubles," says a well-connected Belgian banker. "There was talk that the Vatican was buying, there was talk that the CIA was buying." If even a small percentage of the deals were genuine, he adds, "there should have been trains and trains of rubles going around."

This banker, who in the wake of the Pavlov allegations prefers anonymity, estimates that he spent three months talking about ruble speculation last summer and met with more than 80 people. In the end, all he accomplished was to validate the hard way what might have been obvious from the beginning — that hardly anybody in his right mind was prepared to part with a fortune in solid U.S. dollars for bales of colored paper that even the Soviets themselves shun. The whole affair has left him somewhat bitter. "Word gets around very quickly that you might find some suckers at this bank," he says.

Don't talk to strangers: You can hear that same story from dozens of bankers. Some merely listened politely when people called to talk rubles, only to find that their names and phone numbers were soon being faxed to the far corners of the world as references for multibillion-dollar ruble deals.

In other cases, gullible bankers cut

their own throats. The cardinal rule of international banking is not to expose the good name of your institution. But at Britain's National Westminster and Germany's Volksbank, bankers were gulled into putting out paperwork that lent credibility to the idea that billions of rubles were indeed sloshing around.

In the case of the Natwest banker, the offending document was a handwritten fax advising a Swiss banker where to deposit \$100 million that was supposedly about to materialize as the profit from a single ruble deal. A Natwest flack blames an eager-beaver junior officer at a suburban branch and says no money changed hands.

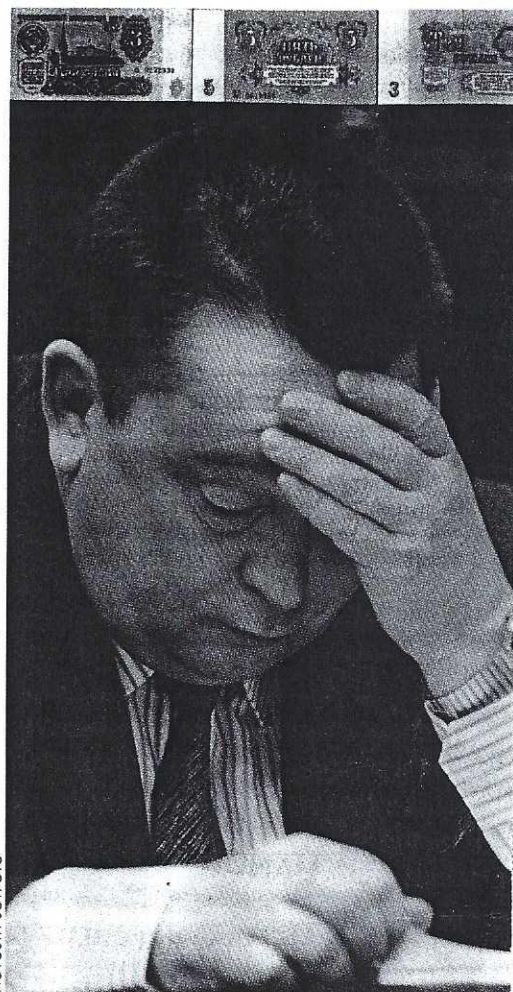
Before the Ruble Follies were over, disciplinary letters about getting involved in shadowy currency deals were fluttering down like confetti into personnel files of bankers on two continents. "We had to reprimand the guy," admits one European banker, referring to a colleague who kept chasing ruble deals after his employer told him to stop. "He could no longer see the danger."

Was this whole business a mirage from the start? Was it a scam or merely a case of mass financial mania? Or was it something more sinister? Was it perhaps all the work of the Soviets in the first place?

The ruble mill: There has always been a market for the Soviet currency in places like Vienna, Zurich and Berlin, where tourists, diplomats and the odd Soviet emigre can change their spare rubles at a fraction of the official rate. Though this is perfectly legal in the countries where it takes place, it's a no-no to take the rubles back across Soviet borders.

The theory behind Ruble Follies is that the Soviet mafia had taken huge numbers of rubles out of the country and was trying to exchange them for Western currency. The buyers were Western businessmen who supposedly would take the discounted rubles back inside the Soviet Union and use them to buy factories and pay their workers on the cheap.

But the planet does not hold enough suitcases, duffel bags and diplomatic pouches to accommodate the volumes said to be floating around last year. Until it was canceled in February, the highest denomination was the 100 ruble note, and a billion rubles' worth of those would fill a standard 40-foot shipping container. "Don't you believe this talk that billions can be sold," says a Swiss currency smuggler. "I have been in this business for 30 years, and I've never sold more than 500,000 or a million."



Pavlov saw a conspiracy at work.



Target: Gorbachev, under the theory

If there was no real market for billion-ruble deals, the rumor mill needed to invent one, and it did. The story went around that Western companies investing in the Soviet Union had an almost bottomless appetite for black market rubles. These cheap rubles, sold at a 90 percent discount to the official rate, would have allowed the Western investors to scarf up Soviet goods and Soviet property and hire Soviet workers for pennies on the dollar.

Of course, then they were faced with the tricky issue of how to get these massive sums back across Soviet borders or into the restrictive Soviet banking system. Not to worry. The rumor mill began talking about Soviet-issued documents to make that possible — documents called “repatriation certificates,” “white checks” and “gold checks.” Available from Western brokers, the documents would miraculously unlock the doors of Soviet finance.

All this overlooks the fact that no

such documents exist. And even if they did, rubles are probably worth even less to Western companies than to Soviet consumers. The Soviet capital Western investors are interested in — land, factories, office buildings, exportable goods — are dispensed by the state, and the state is already overflowing in rubles. Westerners who don't bring dollars or marks or pounds or any strong currency simply don't get past the entrance exam.

The brokers: Still, these tales of massive demand for rubles found ready ears in the strange, twilight world of self-styled “brokers,” a breed that has proliferated in the information age. They gave critical mass to the ruble mania. Louis Reyna, a San Antonio-based consultant to foreign companies, aptly describes them as “people trying to sell what they don't have to people who couldn't buy even if they wanted to.” The broker's dream: that somehow

fate is going to put him in the middle of some colossal transaction that will make him rich for life.

One West Coast physician is typical of the breed. He has virtually abandoned his practice to pursue currency deals that he says routinely involve tens of billions of dollars. The sums are so vast that they would topple the world financial system if they tried to pass through the conventional exchange markets, he explains. So instead they flow through occult channels of bankers and brokers who constitute “one of the four dominant monopolies” (the others being lawyers, doctors and the media).

With phone and fax, brokers can hypnotize themselves into thinking they are players in the international financial system. “It's a sickness, but I've found myself falling into it, too,” admits the owner of a prosperous Virginia-based trading company. “I've known people who've had their phones shut off. They can't pay their bills, but they keep making the international long-distance calls because they're suckered by the possibility of making \$20 million next week. But I've never met one yet who's made any money.”

Feeding the mania: Leo Wanta was one of the key players, calling many people to say he was buying rubles on behalf of the U.S. government.

REGISTER FÜR HANDEL UND GEWERBE

Selbstverlag A. Koch Gesellschaft m.b.H.
1120 Wien Hietzinger Kai 125

NEW REPUBLIC/USA FINANCIAL GROUP, LTD.
2101 NORTH EDGEWOOD AVENUE
APPLETON, WISC., USA 54914
TELE/FAX: (414) 738-7007

New Repu
Gesellschaft

Kärntners
1010 Wi

CORPORATE RES

Resolved, that the President of New Mississippi Corporation, be and her an account for the Corporation at a he may charge, and to deposit, they into his or the companies possessi the Corporation, and to cause to b credit of this Corporation, any ar acceptances or other evidence of and that said institution be, and authorize payments of said loans, Corporation according to the che Passport number: P 020741034, as Corporation. Mr. Wanta is hereby execute any and all such checks,

For and on behalf of New Repub

By: Leo E. Wanta
Leo E. Wanta, President-C
Acting Secretary

State of Wisconsin)
County of Outagamie)

On the 24th day of October
me known, who, being by me
2101 North Edgewood Avenue
President and Assistant S
a Mississippi Corporation
instrument; and that he

CURRENCY EXCHANGE CONTRACT

THIS AGREEMENT is made this 8th day of October, 1990 by and between Volksbank, Bonn, Germany, represented by Mr. Klaus Klochness,

(Hereinafter referred to as USDollar Provider),

New Republic/USA Financial Group, Ltd GES.m.b.H., represented by
Leo E Wanta, Directeur-General, Wien, Austria.

(Hereinafter referred to as Currency Provider.)

WHEREAS the USDollar Provider warrants that they are in a position to exchange good, clean, clear, freely transferable, legitimately earned United States Dollars (US\$) for good, clean, clear, freely transferable and legitimately earned - External Russian Rubles - SUR Cash Notes

and, WHEREAS, the parties wish to enter into such a contract for an exchange and receipt of a bonus, if applicable in some cases, on the basis of a set exchange rate of USDollars Six Point Eight Zero per One Hundred SUR - External Rubles >>>> US\$6.80/100<<<< to the US\$ Provider.

Now, therefore, in consideration of the above-mentioned, and other good and valuable consideration and the mutual promises made herein, USDollar Provider agrees to exchange USDollars and Currency Provider agrees to exchange External Russian Rubles / SUR in the amount of; One Hundred Twenty Five Billion Russian Rubles / SUR with rolls to fund exhaustion, as scheduled later, as follows: and the balance to be

First tranche
Second tranche
Third tranche
----- SUR 8,000,000,000 -- 08/09 OCTOBER 1990
----- SUR 12,000,000,000 -- please advise schedule
----- SUR 105,000,000,000 -- within 30 days

Validity thru - 08 October 1990 unless USDollar funded.
Transaction code: USD/SBC.90.VOL



cow's Sheremetyevo Airport by the KGB, and among his papers was an agreement under which his firm, Dove Trading International, was to buy 140 billion rubles from a Soviet firm for \$7.75 billion. Another document, also found in Gibbins's possession, bore the signature of Gennady Filshin, the deputy premier of the Russian republic and an ally of Boris Yeltsin's.

Though neither company appears to have much substance and the documents were riddled with absurdities, the Soviet authorities went to town. Filshin was drummed out of office, and a top Gosbank official told the Soviet press that had the deal not been stopped, Dove Trading would have been able to buy up "a great deal of immovable property in this country" — equivalent to five times the total value of the 24,500 pending industrial projects that were under construction in 1989.

Next came Pavlov's notorious news conference. More documents were displayed, this time having to do with two separate ruble deals involving banks in London and Geneva and proving — so said Pavlov — that "certain groups resembling the Colombian mafia" were planning to overthrow Gorbachev.

Since then, the Soviet press has been full of credulous accounts of huge sums of rubles floating offshore and nefarious plots to buy out the Soviet Union. Such documents were not exactly hard to come by in the latter part of 1990. In fact, they were whizzing around the world in crazy numbers, clogging up the wastebins of hundreds or thousands of bankers, trading firms and other companies.

It's hard to believe the Soviet Finance Ministry was taken in by all this. The "Red Man" has been a major player in Western gold and commodity markets for decades. The Soviets also have a reputation for keeping careful tabs on the black market for their currency. "Unofficially, there has always been a certain amount of carrying of suitcases to Zurich and Vienna," says Robert Scallon of Britain's Barclays Bank. "It's a way to keep track of that market, to regulate it and even to take advantage of it" to raise a hard currency and gather intelligence about who is buying and selling.

So if Pavlov wasn't *really* seeing capitalists under every bed, the stan-

dard analysis is that his blithering was totally for domestic consumption. The goal was to make his disastrous ruble swap — pulling the 50s and the 100s out of circulation — easier to swallow. Its ostensible purpose was to punish black marketeers and ward off hyperinflation, but it mainly clobbered simple folk who keep their life savings in mattresses. "He was looking for scapegoats," says Yuri Maltsev, an emigre Soviet economist living in Washington, "and so much better if the scapegoats are outside the country."

But then who were all those guys jetting in and out of Antwerp, Geneva and Zurich, running up phone and hotel bills, and swearing a blue streak that you really can trade rubles? A lot of them have since vanished, their phones having been disconnected or left to ring unanswered. But many more are still around and claim to be as puzzled as everybody else. Ruble mania doesn't add up, they say, unless the Soviets themselves were behind it.

Ruble realities: Last year began with the Soviets, who are normally fastidious in financial matters, rapidly going the way of a Texas savings and loan. Moscow was facing a painful hard currency crunch and had few options for dealing with it. Some now say that in desperation the Soviets responded with what amounted to a secret and perhaps unconcerted attempt to float the ruble.

The owner of a German trading company, for example, says his Soviet joint venture partner tried to market through him some ruble checks drawn on a Soviet bank account. The treasurer for the Soviet operations of a large Western consumer products company tells a story with a similar ring. He was approached last year by a Western computer firm that had sold computers for rubles and now was looking to resell them to another Western company.

"There are a lot of Soviet firms that have lots of rubles. And if they hear all you have to do is take the rubles out and sell them and you can buy your spare parts or whatever, they'll do it," says Jerome Farnum, head of a small investment bank in Geneva.

According to Peter Palms, a Seattle investment banker who specializes in Soviet trade, strong-arm tactics were sometimes employed. He says there

have been several cases where Western suppliers were lured into shipping, say, personal computers and promised hard currency, only to find themselves later faced with a choice of rubles or nothing.

Even then their victimization was not complete, for when they tried to bail themselves out by using the rubles to purchase Soviet goods (which they hoped to resell for dollars outside the country), they were blocked by the Soviet Finance Ministry.

Deliberate tactic?: "There was a deliberate tactic by the Soviet government at high levels to encourage the sale of Western goods for rubles," says Palms. "They not only sucker you into owning rubles, but they freeze them in such a way that you can't do much with them."

The case of Guido Bordiga, head of Italy's Bordiga Group of Companies, shows how the sudden buildup of rubles in Western hands inside the Soviet Union fed the black market outside. Through a Swiss attorney he floated an offer last year to sell more than 500 million "internal rubles" — that is, rubles held on account in Moscow's Promstroibank. The asking price was typical of the rates then being quoted, \$4.08 per 100 rubles.

Bordiga declines to elaborate on the affair except to say that no deal was consummated. But he adds that Soviet officials had indeed blocked his attempts to buy locally produced goods with rubles and export them. According to the Swiss associate, though, Bordiga had originally accepted rubles willingly as payment for computers. "He thought there was a market for them," he says with a shrug.

Discounting their currency abroad is not exactly an unheard-of tactic for Third World governments in a bind, and many ruble traders are convinced that dumping by the Kremlin was ultimately behind the short-lived boomlet in their business last year. If so, the Soviets violated an unspoken trust, for when they saw the market getting away from them, they simply canceled the notes.

"They had opened a market, they were selling their currency, and then they said, 'Stop, nothing more,'" says Panagiotis Papadakis, a Zurich-based ruble trader and strong proponent of the Moscow-did-it theory. "It is quite clear that it was a theft." ●

**AMERITRUST CORPORATION INC.
POST OFFICE BOX NR 7
CH-1005 LAUSANNE
SWITZERLAND**

TELEFON: 41-21-720-3980

TELEFAX: 41-21-728-0773

**COLLATERAL PROVIDER
% MOUNTAIN STATES INVESTMENTS INC.
VIA FAX (907) 479-7630**

**TRANSACTION CODE:
BUYER'S CODE:
BUYER'S SECURITY CODE:
CONTRACT NUMBER**

**WE, AMERITRUST CORPORATE INC., ACTING WITH FULL LEGAL
AUTHORITY AND CORPORATE RESPONSIBILITY, IN OUR CAPACITIES AS
SIGNATORIES TO THE FUNDING ACCOUNT, HEREBY REQUEST THAT THE
COLLATERAL PROVIDER ISSUE TO US THEIR BUY/SELL CONTRACT FOR
THE PURCHASE BY US, OF THE BELOW MENTIONED PRIME BANK
DEBENTURE INSTRUMENTS, SUBJECT TO THE TERMS AND CONDITIONS
HEREIN CONTAINED. WE FURTHER ATTEST THAT WE HAVE SUFFICIENT
FUNDS ON DEPOSIT IN OUR FUNDING ACCOUNT TO COMPLETE THE
FIRST TRANCHE OF THIS TRANSACTION.**

CURRENCY	:	UNITED STATES DOLLARS
INSTRUMENTS	:	PRIME BANK NOTES
ISSUING BANKS (MENU)	:	TOP 50 WORLD PRIME BANKS, WITH NORMAL EXCLUSIONS
TERM	:	TEN (10) YEARS AND ONE (1) DAY
INTEREST	:	FOURTEEN PERCENT (14%)
DENOMINATIONS	:	US\$25 MILLION OR AS AGREED
TOTAL CONTRACT AMOUNT	:	\$500BILLION UNITED STATES DOLLARS (US\$500B), WITH ROLLS AND EXTENSIONS
INVOICE PRICE	:	(89.5%) OF FACE VALUE
TRANCHE SCHEDULE	:	EIGHTY NINE POINT FIVE PERCENT FIRST TRANCHE OF US\$500MILLION THEREAFTER, AS AGREED
SUBSEQUENT TRANCHES	:	US\$ ONE BILLION PER DAY (5 DAYS PER WEEK).

**OUR TRADING/FUNDING BANK COORDINATES FOR THIS TRANSACTION TO
BE INCLUDED IN YOUR BUY/SELL CONTRACT TO US ARE AS FOLLOWS:**

MIAPOLLO INVESTMENTS LIMITED

Corporate Headquarters:

Dina House/Ruttonjee Centre
11 Duddell Street, Suite 1201
Central, Hong Kong

Telefon: (852) 810 1018

Telefax: (852) 525 9890

Toronto Operations:

1885 Wilson Avenue
Suite 202
North York, Ontario
Canada M9M 1A2

Telefon: (416) 614 2248

Telefax: (416) 614 2243

16 DECEMBER 1992

WORLD CAPITAL BANK, INC.
ATTN: MR DENNIS L MATTHEWS
OFFICE OF THE CHAIRMAN

REPRESENTATIVE OFFICES
800 BELLEVUE WAY, N.E., SUITE 400
BELLEVUE, WA, USA 98004-0000
TELEFAX:- 206 836 0333
TELEFON:- 206 868 8838

IN THE MATTER OF THE ACQUISITION OF FINANCIAL INSTRUMENTS -

I, LEO EMIL WANTA, CHIEF EXECUTIVE OFFICER AND DIRECTOR OF MIAPOLLO INVESTMENTS LIMITED, A CORPORATION DULY INCORPORATED UNDER THE LAWS OF HONG KONG, A BRITISH COLONY, HEREBY CONFIRM ON BEHALF OF THE SAID CORPORATION AND NOT PERSONALLY, TO SAVE WORLD CAPITAL BANK, INC., AND ITS CO-PROVIDERS, HARMLESS FROM ANY ENSUING OR SUBSEQUENT LEGAL ACTIONS DUE TO ANY AND ALL ISSUES ARISING FROM MIAPOLLO INVESTMENTS LIMITED ACQUIREMENT OF CURRENT FINANCIAL INSTRUMENTS THROUGH WORLD CAPITAL BANK, INC. AND AS SO FAR AS QUALIFYING UNDER ANY "SPECIAL PRICING" GRANTED TO CERTAIN GOVERNMENT ENTITIES.

SIGNED, SEALED AND DELIVERED, THIS 15 th DAY OF DECEMBER, 1992.

MIAPOLLO INVESTMENTS LIMITED

LEO EMIL WANTA, WITHOUT PERSONAL LIABILITY

Dennis Matthews

World Capital
Bank Ltd

7 1/2 10 PBG Banks

INITIAL Amo

3-5 day (Screenable)

Letter from Bank to
A/c: Holder

DTC

Euroclear

C/S

C/L

Dev

Pres

Com Bld

250 mil

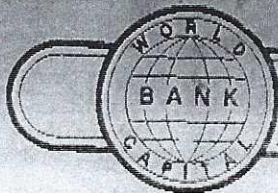
250 m.

250 M.

250 m.

250 m.

92% EV.
88-89%



WORLD CAPITAL BANK, INC.

FAX: 416-614-2243

December 15, 1992 9:50 pm Pacific USA

To: Leo E. Wanta

From: Dennis L. Matthews

Please sign the enclosed affidavit and return it to the office of the undersigned by return mail.

Dennis L. Matthews

AFFIDAVIT

I, Leo E. Wanta, hereby swear under penalty of perjury that current orders for bank debenture instruments submitted to World Capital Bank Inc. are government orders and I hold World Capital Bank Inc. and co-providers of said bank debenture collateral instruments harmless from any actions or judgements rendered because of misrepresentation.

Sworn to as the Ambassador - Designate to the Vatican on the 15th day of December, 1992 in the presence of the following witness.

/s/ Leo E. Wanta

/s/ Witness

(Seal)

Printed Name of Witness:

Addresses

NEED 5 to 10 thousand in this account as soon as possible.

BANKING FOR THOMAS E. SEVERSON:

BANK: BANK OF AMERICA
GILROY BRANCH 0011
ADDRESS: P.O. BOX 97
GILROY, CALIF 95021
OFFICER: RICH DAVIS
TELEPHONE NO. 408 848 8700
ABA NUMBER: 121000358
ACCOUNT NUMBER: 00119 09496
ACCOUNT NAME: IRENE SEVERSON

The Remaining of the com. to be sent to this account

BANK: FIRST CHICAGO BANK
ADDRESS: LAKE FOREST, ILLINOIS BRANCH
ACCOUNT NO.: 1110600283972
ACCOUNT NAME: WILLIAM C. MARLATT, ATTORNEY, AS TRUSTEE
ABA NO.: 071000013
TELEX: FNBC44
PHONE: 708-234-7111
FAX NO.: 708-234-3128
OFFICER: MS. MARY BETH RAGSDALE

PLEASE BE ADVISED THAT THIS IS AN ATTORNEY'S ESCROW ACCOUNT
AND HE WILL BE RESPONSIBLE FOR PAYING ALL TAXES.

T. O. W.

TOM SEVERSON

DATE:
PAGE 2
BUYER'S CODE:

PROCEDURES

1. BUYER AND SELLER EXECUTE CONTRACT, AND AGREE TO WINDOW TIME.
2. BUYER'S BANK KTT'S CONDITIONAL FUNDING INSTRUMENT.
3. SELLER'S BANK KTT'S CERTIFIED BANK INVOICE FOR THE FIRST TRANCHE.
4. BUYER'S BANK AUTHENTICATES AND REMITS WITHIN ONE (1) BANK DAY.
5. PHYSICAL DELIVERY WITHIN SEVEN (7) INTERNATIONAL BANKING DAYS AFTER REMITTANCE.
6. OTHER TRANCHES ARE LEDGER REMITTANCE OF FUNDS AGAINST INVOICE.

NO UNAUTHORIZED COMMUNICATIONS WITH EITHER PARTY'S BANK, PERMITTED OUTSIDE THE PROCEDURES OF THIS TRANSACTION.

CLAUSES OF NON-CIRCUMVENTION AND NON-DISCLOSURE SHALL APPLY IN FULL TO THIS CONTRACT ACCORDING TO ICC, PARIS, FRANCE, RULES AND REGULATIONS.

ALL FAX TRANSMISSIONS ARE CONSIDERED AS ORIGINAL AND THIS LETTER OF INTENT IS VALID FOR ACCEPTANCE WITHIN 24 HOURS FROM THIS DATE.
SIGNED IN SWITZERLAND.

THANK YOU IN ADVANCE FOR YOUR ATTENTION TO THIS MATTER, AND WE AWAIT YOUR QUICK RESPONSE.

SINCERELY,

LEO WANFA,
FOR: AMERITRUST

JULY 7, 1993

VISIONARY INVESTMENTS
NORTH POLE AK USA
(907) 479-7630

TO JON FERRO #417

FROM DEBBIE MISEWICZ

RE: PAYORDER AND PBN REQUEST

DEAR JON

AS PER OUR TELEPHONE CONVERSATION LAST EVENING THE FOLLOWING
IS THE INFORMATION YOU REQUESTED. PLEASE SIGN AND RETURN AS
SOON AS POSSIBLE.

THE PAY ORDER ARE NEED FOR THE GDM CONTRACT THAT IS STARTING
TODAY.

I ENJOYED OUR TALK LAST EVENING AND THANK YOU FOR TAKING THE
TIME TO SPEAK WITH ME. I HOPE WE CAN GET THINGS DONE FOR
YOU AS WELL AS OURSELVES.

RESPECTFULLY,

Debbie Misewicz
DEBBIE MISEWICZ

6 pages