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## United States Attorney Guidelines - Part 1

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### I. Introduction

Ever since Breton Woods and the formation of the International Monetary Fund and World Bank in the late 1940's, the major banks in the world have engaged in trading programs among themselves, yielding returns ranging from 10% to 100% per month, at little or no risk. Only these banks, and a few select traders authorized by the Federal Reserve, are allowed to participate in these trading programs, which are principally designed to generate funds for humanitarian and other worthwhile projects. On occasion, particular traders allow individual investors to participate in these secret-trading programs by pooling the individual's funds with funds from other investors until a certain amount, usually a minimum of \$100 million, is accumulated for a trade. However, these individuals must enter non-disclosure agreements with the traders and agree to contribute half of their profits to a designated charitable cause.

Interested? Your investment advisor never told you about this? Maybe that's because all of what you have just read is false. Nevertheless, thousands of people during the past decade have fallen prey to scams based on similar claims and lost billions of dollars believing they were investing in such mythical trading programs. Despite repeated warnings over the years from various regulatory agencies and international organizations that such trading programs do not exist, these prime bank or high-yield investment schemes have continued to proliferate and are now nearing epidemic levels.

Various agencies or organizations, such as the Federal Reserve Board, Office of Comptroller of Currency, Department of Treasury, Securities and Exchange Commission (SEC), International Chamber of Commerce, North American Securities Administrators Association, International Monetary Fund, and World Bank have all issued explicit warnings to the public about prime bank fraud. Occasionally, you will find copies of these among the items seized during execution of a search warrant at a fraudster's office. A number of good reference materials are publicly-available relating to these schemes, including **Prime Bank and Related Financial Instruments Fraud** issued by the SEC in 1998. Two others are **Prime Bank Instrument Frauds II (The Fraud of the Century)**, prepared in 1996 by the ICC Commercial Crime Bureau, and **The Myth of Prime Bank Investment Scams [2002]**, by Professor James Byrne of the Institute of International Banking Law & Practice, George Mason University Law School.

Prime bank fraud first appeared in the early 1990's, waned somewhat in the mid 1990's in response to aggressive enforcement actions and media coverage, then reemerged as a significant problem in the late 1990's. At present, over one hundred pending federal criminal investigations involve prime bank fraud. In addition, the Securities and Exchange Commission and various state law enforcement agencies have a number of active investigations. Moreover, as the problem has become worldwide, more foreign law enforcement agencies, particularly in English-speaking countries, have actively investigated and prosecuted this type of fraud.

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The purpose of this article is primarily twofold: first, to alert readers to the existence of this particular type of fraudulent scheme, and second, to offer some suggestions for investigating a prime bank scheme.

## **II. Common characteristics of the scheme**

Prime bank schemes-- prime bank instrument schemes, high yield trading programs or roll programs-- are essentially Ponzi schemes, in which the perpetrators claim exists a secret trading market among the world's top banks or prime banks. Perpetrators claim to have unique access to this secret market. The top or prime banks purportedly trade some form of bank security such as bank guarantees, notes, or debentures. These instruments can supposedly be bought at a discount and sold at a premium, yielding greater than market returns with no risk. In reality, no such market exists. Furthermore, high-yield prime bank notes, as described by these perpetrators, do not exist.

They often claim that there are only a few traders or master commitment holders who are authorized to trade in these securities and that the securities must be traded in large blocks, typically millions of dollars or more. Promoters tell potential investors that they have special access to a trading program, and that by pooling their money with that of other investors, they can participate in the program. Promoters also tell investors that the programs participate in some humanitarian cause and that they are giving the investors a special opportunity to participate in the program, but only if they agree to give a share of the profits to the cause. They also typically require investors to execute a non-disclosure and non-circumvention agreement because, as they are told, banks and regulatory agencies will deny the existence of these trading programs.

## **III. Case law involving prime bank schemes**

Over the past few years, a number of reported decisions affirmed convictions of prime bank schemers. For example, this past summer the Fourth Circuit affirmed defendants' convictions in *United States v. Bollin*, 264 F.3d 391 (4th Cir. 2001), for conspiracy, wire fraud and money laundering. As described by the Court of Appeals:

This case arose out of a wide-ranging investment fraud scheme, carried out by a network of conspirators, who bilked millions of dollars from investors across the country. The investments were programs that promised enormous profits, supposedly derived from secret trading in debentures issued by European prime banks.

The programs involved supposed trading of European prime bank debentures and promised very high rates of return with little or no risk to investors. According to the literature that they distributed, the programs were available on a limited basis to groups of investors whose money would be pooled and delivered to a prime bank. The investment principal was supposedly secured by a bank guarantee and, therefore, was never at risk. Millions of dollars in profits were to be generated within a few months from the trading of debentures. For example, one program ... offered a profit of \$73,000,000 in ten months, based on an investment of \$400,000.

*Id.* at 399-400.



In *United States v. Polichemi*, 201 F.3d 858, *aff'd on rehearing*, 219 F.3d 698 (7th Cir. 2000), defendants defrauded nearly thirty investors out of more than \$13 million by marketing "prime bank instruments," which they described as multi-million-dollar letters of credit issued by the top fifty or one-hundred banks in the world. As the Seventh Circuit explained, defendants told their victims that they could purchase these instruments at a discount and, then resell them to other institutions at face value; the difference in price represented the profits that would go to the defendants and their "investors." This was nothing more than a song and dance: the trades were fictional; there was no market for the trading of letters of credit; and nothing capable of generating profits ever occurred. Somehow, notwithstanding the implausibility of prime bank instruments to one familiar with normal business practice for letters of credit, they managed to persuade their victims to give them money to finance the purchase of phantom discounted instruments. While this did not earn a cent for any of the investors, it definitely changed the defendants' own lifestyles.

*Id.* at 859-860. Among those convicted in *Polichemi* were attorneys, salespeople, an individual who acted as a reference, and *Polichemi*, who claimed to be one of the few people in the world with a license to trade prime bank securities.

In a related case, *United States v. Lauer*, 148 F.3d 766 (7th Cir. 1998), Lauer, the administrator of an employee pension fund, plead guilty to diverting millions of dollars to the prime bank scheme prosecuted in the *Polichemi* case. In rejecting Lauer's appeal on the loss calculation for sentencing purposes, the Seventh Circuit upheld the trial court's use of an intended loss figure, rather than a lower actual loss amount.

In another recent case, *S.E.C. v. Lauer*, 52 F.3d 667, 670 (7th Cir. 1995), Chief Judge Posner declared Prime Bank Instruments do not exist. So even if [a co-schemer] had succeeded in raising money from additional investors, it would not have pooled their money to buy Prime Bank Instruments. It would either have pocketed all of the money, or, if what its masterminds had in mind was a Ponzi scheme, have pocketed most of the money and paid the rest to the investors to fool them into thinking they were making money and should therefore invest more (or tell their friends to invest).

In *United States v. Richards*, 204 F.3d 177 (5th Cir. 2000), the Fifth Circuit upheld defendants' convictions for conspiracy, wire fraud, mail fraud and interstate transportation of stolen property. At trial, the government presented the following evidence describing how defendants induced participants to invest in a roll program:

Potential investors were told that their money would be pooled with that of other investors and used to buy letters of credit. The letters of credit would be "rolled"-- sold, repurchased, and resold-- to European banks frequently and repeatedly. Each "roll" would generate a large profit to be distributed among the investors, in proportion to their investment. The investors were told that their funds would be safe at all times, held either in an account at a nationally-known brokerage firm or invested with a prime or top 50 international bank. Investors were also told that they would receive at least the return of their initial investment, with interest, and would likely make substantial profit. In fact, the defendants took the invested funds for their own use, bought no letters of credit, and, except for a small payment to one participant, returned no money to the investors.



*Id.* at 185.

In *United States v. Rude*, 88 F.3d 1538, 1548 (9th Cir. 1996), defendants were charged with engaging in a prime bank scheme. In affirming their convictions, the Court of Appeals found, among other things, that the government had proved beyond a reasonable doubt "that the very notion of a "prime bank note" was fictitious," and cited other evidence that the term "prime bank" was not used in the financial industry "and was commonly associated with fraud schemes." *Id.* at 1545.

In *Stoker v. United States*, No. 97-1627, 2001 WL 29997, at \*1 (S.D.N.Y. Jan. 9, 2001), defendant was convicted of conspiracy, wire fraud, money laundering and interstate transportation of fraudulently obtained money. Defendant claimed that "through various personal connections in the banking industry, he could purchase and sell "prime bank guarantees" or letters of credit and make a substantial profit in a short period of time, with no risk to the investor." As is typical in these kinds of cases, the defendant attempted, unsuccessfully, to portray himself as a victim, as someone unwittingly conned by co-conspirators to carry out the fraud.

A number of other criminal cases involving prime bank schemes have also been reported. See e.g., *United States v. Wonderly*, 70 F.3d 1020 (8th Cir. 1995); *United States v. Hand*, No. 95-8007, 1995 WL 743841 (10th Cir. Dec. 15, 1995); *United States v. Aggarwal*, 17 F.3d 737 (5th Cir. 1994); *United States v. Gravatt*, No. 904572, 1991 WL 278979 (6th Cir. Dec. 27, 1991); *United States v. Lewis*, 786 F.2d 1278 (5th Cir. 1986). There are also a number of reported civil cases brought by the S.E.C. See, e.g. *SEC v. Milan Capital Group, Inc.*, No. 00 Civ. 108 (DLC), 2000 WL 1682761 (S.D.N.Y. Nov. 9, 2000); *S.E.C. v. Kenton Capital, Ltd.*, 69 F. Supp.2d 1 (D.D.C. 1998); *S.E.C. v. Infinity Group.*, 993 F. Supp. 324 (E.D. Pa. 1998), *aff'd*, 212 F.3d 180 (3d Cir. 2000); *S.E.C. v. Deyon*, 977 F. Supp. 510 (D. Me 1997); *S.E.C. v. Bremont*, 954 F. Supp. 726 (S.D.N.Y. 1997).

Assistant U.S. Attorney Michael Schwartz in Houston [now with KPMG] prepared an excellent memorandum titled "United States" Memorandum of Law Concerning Fraudulent High-Yield or International "Prime Bank" Financial Instrument Schemes," a copy of which can be obtained from either him or the Fraud Section. Appropriately modified versions of this memorandum can not only be used to educate your trial judge on the legality of such schemes, but also excerpted for use in search warrant affidavits.

#### IV. First steps

While the particular facts presented in each case will obviously dictate which steps you should first take in investigating a prime bank or high yield investment program (HYIP) scheme, we have found the following to be generally very useful:

**\* Check subject's background:** Check to see if the subject has a criminal record, or if his name appears anywhere in FBI indices. Check with other agencies as well, since these types of investigations are handled not only by the FBI, but also by Customs, Secret Service, IRS-CID, or the Postal Inspection Service. Many prime bank scammers are career cons who have been previously convicted of fraud. Prime bank scammers also seem to operate within an extensive network, using each other to broker or solicit investments in particular HYIP schemes, to



backstop some fraudulent claim, or to help create a "plausible deniability" defense. Therefore, your subject may have been interviewed in the past by an agent in another matter and made statements that could prove useful in your case. If you are fortunate, you will find that an agent expressly put your subject on notice in the past as to the fraudulent nature of prime bank trading programs. Such notice would substantially aid your efforts in establishing probable cause for a search warrant and generally in proving the subject's fraudulent intent.

**\* Contact the Securities and Exchange Commission:** The SEC actively investigates and prosecutes prime bank fraud as securities fraud. Your subject may be, or has been, involved in an SEC investigation. If so, this would also help build probable cause for an eventual search warrant, and prove intent at trial. If the SEC has not investigated your subject, you should consider asking them to do so. Contact either your regional SEC office or Brian Ochs, Assistant Director, Division of Enforcement, SEC at (202) 942-4740 in Washington, D.C. [Mr. Ochs has since ceased to work with prime bank fraud; contact the SEC's Keith O'Donnell (202) 942-4736 and Irene Gutierrez (202) 942-7249.] (See Tips below).

**\* Contact Jim Kramer-Wilt and Bill Kerr:** Jim Kramer-Wilt is an attorney in the Treasury Department's Bureau of Public Debt and has taken a very active role in attempting to expose and combat prime bank fraud. He may be reached at (304) 480-8690. Bill Kerr, with the Enforcement and Compliance Division, Office of the Comptroller of Currency, may also provide some valuable information about your subject, particularly if a bank has filed a Suspicious Activity Report (SAR) with the OCC, or has otherwise made an informal inquiry to the OCC or Federal Reserve about a particular financial transaction or investment. His number is (202) 874-4450.

**\* Locate subject's bank accounts and/or assets:** These cases typically involve millions of dollars of victims' funds, and are often directed at wealthy individuals or institutions, with minimum investment levels (e.g., \$25,000) and representations that "trades" can not be entered until \$100 million has been pooled. Although offshore accounts are frequently used in these schemes, surprisingly enough, you will often find that the subject still has large sums on deposit in accounts at United States banks under his control. This may be because he has not yet transferred the funds offshore, or perhaps because, as part of his scheme, the funds are being maintained in an alleged trust account so he can assume the persona of a well financed investment manager with the bank employees. At any rate, to locate the accounts is important in order to determine the scope and nature of the fraud, as well as prepare for ultimate seizure of the funds. A subject's account can usually be identified by asking a victim for the wiring instructions that he received from the subject. Accounts can also be located through other means, including mail drops, trash runs, the clearing process of a victim's check, and grand jury subpoenas. Of course, the likelihood that the subject has used more than one account is high. In determining whether to seize the account, informally contact the financial institution's security officer to get a rough idea of how much is in the account.

**\* Consider initiating a proactive approach:** The most difficult element to prove in a prime bank case, as with most investment frauds, is fraudulent intent. The most common defense is, "I didn't know those trading programs didn't exist. I believed Mr. X when he told me they did." Therefore, it is important at the start of an investigation to plan how to overcome this defense. The FBI has developed a number of different proactive approaches that have proven successful in establishing the requisite intent that will substantially assist you in prosecuting your case.



Indeed, in most instances, the defendant will enter a plea after being confronted with such evidence. For one successful prosecution resulting from a sting operation, see *United States v. Klissar*, 190 F.3d 34 (2d Cir. 1999).

\* **Execute search and seizure warrants:** As soon as you have been able to determine the nature and scope of the fraud, you should consider applying for search and seizure warrants.

\* **Victim questionnaires:** Many of these cases involve hundreds, if not thousands, of potential victims. Questionnaires sent out to victims have proven to be an excellent way to quickly collect evidence, including witness statements and documents, which you can then review for possible in-depth interviews later. Obviously, this should be done only once the existence of the investigation becomes public. Questionnaires are also a good way to gauge the degree of cooperation you can expect to receive from victims, who oftentimes in these Ponzi type schemes do not feel □ victimized □ (See Section VII below),

#### V. Psst... here are a few good “tips”

Identifying the existence of a prime bank investment scheme is clearly easier than determining the scope of the scheme, or trying to explain to a jury precisely what is meant by (or supposedly meant by) such terms as □prime bank discounted negotiable debenture□ or □World Bank high-yield humanitarian trading program.□ The following tips will hopefully help you build and prove a case.

\* **Keep it simple:** Once you determine the target or targets, focus your investigative efforts on building the strongest case against them without trying to uncover every transaction or proving every illegal act they may have committed. First, as a practical matter, you simply can not include every transaction. These schemes are often quite broad in scope and can often meld into other investment schemes. Stay focused on the heart of the case you are developing. Attempting to be all-inclusive can be a waste of time and resources. By focusing on the key transactions, you can present a case that the average juror will understand. Second, you need not include each and every victim. More than likely, the majority of the scheme can be proven through a handful of victims. Use your best witnesses. Often these are people who retained investment contracts they executed with the targets or who remember specific misrepresentations. The details regarding the other victims can be saved for the sentencing phase. Third, you need not endeavor to disprove the myriad of misrepresentations made to the victims. Prime bank schemes are often based on a series of misrepresentations that seem, at least to the investors at the time, to have some basis in reality. You are better off focusing on the material misrepresentations that establish the nature of the scheme than disproving each of the various ancillary misrepresentations. Proving that the subject did not invest investor funds, but instead spent for his personal benefit, is easier than disproving a tale about the World Bank, the IMF, or the yield on prime bank notes from an emerging nation. In short, do not argue on the defendant□s terms. Just show that the defendant did not invest the money as promised.

\* **Get a financial analyst assigned to the matter:** Reaching out and utilizing the full range of tools available to a prosecutor can go a long way towards turning an investigation into a prosecutable case. Having an FBI Financial Analyst (FA) assigned early in the investigation can help in a number of ways. First, an FA can review the pages and pages of bank records and determine how the subject transferred, concealed and eventually spent the victim□s invested



funds. Second, in many of these cases, checks and wire transfers go back and forth between the accounts of targets, investor-victims, and brokers who bring victims into the scheme. A thorough review by an FA can help determine who's who. Further, an early review will most likely unearth additional victims, either because they sent funds into a target's account or because they received lulling payments from the target's accounts. Interviews of these witnesses may yield additional counts if fraud and money laundering pursuant to 18 U.S.C. §§ 1956 (lulling payments) and 1957 (spending of proceeds from a "specified unlawful activity"). Third, the FA will generally be able to identify additional bank accounts into which the subject is secreting proceeds. Such information will provide additional accounts to subpoena, including foreign accounts of which you may not have known. Identifying the foreign accounts as early as possible is important because of the time involved in attempting to obtain that information.

**\* Get MLATs out early:** If you anticipate needing evidence from abroad, you should contact the Office of International Affairs (OIA) in Washington, D.C. at (202) 514-0000 to initiate the steps necessary to obtain such information. The United States has Mutual Legal Assistance Treaties (MLAT) with many nations, establishing a framework for obtaining evidence from another country. For those countries with which we have no MLAT in force, OIA can advise you on the appropriate means by which to obtain the requested information. OIA will provide you with a format-request for your particular country, which you will need to complete and return to OIA. MLATs can be used to obtain authenticated foreign documents and testimony abroad, execute search warrants, and seize funds.

**\* Get started soon:** Once OIA has forwarded your request on to the foreign country, the requested evidence can take months to arrive. As discussed above, bank security officers can often tell you if an account is active and if there are funds in the account. Obtaining this information through informal channels can help determine if you need to wait for a response to an MLAT request. In the meantime, you may receive the collateral benefit of encouraging the foreign authorities to open their own investigation, which may later provide you with an invaluable level of cooperation.

**\* Don't go it alone:** Coordinating with other agencies can save time and effort. While you must be mindful of the nondisclosure obligations of Rule 6(e), working with the SEC, IRS, NASD, and other federal and state regulatory agencies can save a great deal of time. These agencies and regulators may have investigations underway and may have collected useful information about your targets as well as potential victims. Often victims complain to the SEC or their particular state regulator, and, as a result, civil enforcement actions may already be underway. Working with the regulators and other arms of law enforcement is always preferable to working at cross purposes. Additionally, civil cases may already be in the works. Not knowing the full scope of the scam, victims often retain lawyers to pursue civil claims for breach of contract. These civil attorneys can also be a useful source of information. Finally, requesting information from FinCEN and the IRS may also prove to be useful.

**\* Helpful websites:** A number of websites can be consulted in investigating a prime bank scheme. Two of the most useful are the Treasury Department's [www.treasuryscams.gov](http://www.treasuryscams.gov) and the SEC's [www.sec.gov/divisions/enforce/primebanks.html](http://www.sec.gov/divisions/enforce/primebanks.html), both of which list numerous other very helpful links.



**\* Don't reinvent anything:** More than likely, the target is operating in a similar, if not identical, manner to that of a number of other prime bank scammers. Consulting with other prosecutors who have handled these types of cases may save you time and effort. Furthermore, these prosecutors can provide you with materials such as sample indictments and search warrant affidavits. The Fraud Section, Criminal Division, in Washington D.C., (202) 514-7045, also has some guidance materials.

## **VI. Countering defenses – “It wasn’t me**

Echoing the lyrics of a recent reggae-pop hit, when caught red-handed, even on camera, defendants will often claim simply “It wasn’t me.” The participants and funds of a particular prime bank scheme are often intertwined with other schemes. For the target or targets to send funds back and forth to other brokers or □traders□ who are running similar schemes either in this country or offshore is not uncommon. Those brokers or traders often return the favor. The precise reason for these intermingled transactions is not entirely clear, but it does make tracing funds more difficult and sometimes gives defendants a built-in defense. Defendants may claim that they sent an investor□s money to Mr. X on the Isle of Man, and thus, like everyone else, were fooled by Mr. X, i.e., “It wasn’t me.”

Defeating this defense and proving intent can be accomplished in a number of ways. First, one of the proactive approaches discussed above can be used. After a target is put on notice by the government that prime bank trading programs do not exist and that claims to the contrary would be false, subsequent involvement by the target would not survive the □I too was duped defense.□ Second, circumstantial evidence can be used to establish intent. In most cases, an analysis by the FA will be able to show that a majority of investors□ money did not go directly to the so-called □bigger fish,□ but instead went to accounts controlled by the target(s). Moreover, the amount of money sent to these other traders/brokers, the so-called □bigger fish,□ rarely coincides with the amounts invested. The lulling payments sent to other investors as interest also demonstrate intent since the fraudster misrepresents the true source of funds, i.e., fellow investors. Intent can also be circumstantially proven through evidence of the defendant's conscious avoidance of various indicia of fraud or red flags associated with prime bank schemes. Third, experts can help show that the representations made to investor/victims were false on their face and that the lingo used to induce investors was made from whole cloth. *United States v. Robinson*, No. 98 CR 167 OLC, 2000 WL 65239 (S.D.N.Y. Jan. 26, 2000), contains a discussion of the use of an expert in a prime bank case.

Among government officials who have testified as experts in such cases are James Kramer-Wilt (Department of Treasury, Bureau of Public Debt (304) 480-8690); Bill Kerr (Office of the Comptroller of Currency (202) 874-4450); Herb Biern and Richard Small (Federal Reserve Board (202) 452-5235). There are also a number of private persons who provide expert testimony in these cases, e.g., John Shockey (retired OCC official (703) 532-0943); Professor James Byrne (George Mason University Law School (301) 977-4035); and Arthur Lloyd (retired Citibank senior counsel (802) 253-4788). In addition, Jennifer Lester of the International Monetary Fund (202) 623-7130 and Andrew Kircher of the World Bank (202) 473-6313 may be able to provide assistance.

## **VII. Dealing with uncooperative victims,**



Unlike victims of some other crimes, victims of prime bank schemes often do not know or want to believe that they have been scammed. Often fraudsters have told them up front not to believe the government. Some prime bank victim/investors may, at least initially, refuse to cooperate with agents or prosecutors.

Many victim/investors are "true believers," who have received "interest payments" in a timely fashion and are often talked into "rolling over" or "reinvesting" their principal. While much of the principal has been secreted away by the fraudster, true believers remain convinced (or want to remain convinced) that the "high yield prime bank market" does exist and that their proverbial ship has come in. This belief, coupled with the non-disclosure, secret nature of the investment, prevents them from cooperating with the investigation, their reasoning being: "why risk breaching the non-disclosure provision of the contract by talking to the government when I'm getting paid?"

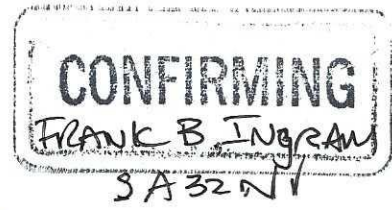
Most investors have been told that the government will deny the existence of the "programs," and that speaking to an FBI agent or other government agent will jeopardize the success of the secret programs, as well as bar them from any future opportunity to invest in these trading programs.

However, some investors may recognize the Ponzi scheme but want it to continue for just a few more payment periods so they can get their money back. These investors have little interest in seeing a speedy investigation and would rather be left alone so that they can get their money out before the roof caves in.

Dealing with each of these types of investors can be difficult. However, being forewarned that you may encounter some of them will allow you to plan ahead. In our experience, a few low key meetings or phone calls from the agent will allow at least the first two categories of witnesses time to come to grips with reality. If they remain uncooperative, simply move on and concentrate on counts centered around more helpful witnesses.



# UNITED STATES Attorney Guidelines ~



Affidavit for one of the Arrest Warrants

PART 1-A

Posted by Diligizer - Administrator  
Posted At: (3/18/03 11:05 am)

The following is an affidavit of a Special Agent with the FBI for one of the warrants issued in Federal Court in South Carolina. This relates to the "Sweet Tea Masquerade" case mentioned in a recent FBI Press Release (See:

<http://pub17.ezboard.com/fdiligizerfrm3.showMessage?topicID=202.topic>)

You may also read this in WORD (81.0KB ) format by clicking:

<http://216.157.37.167/downloads/SweetTeaAffidavit.doc>

I, Paul A. Jacobs, being duly sworn do depose and say as follows:

A. I am a Special Agent with the Federal Bureau of Investigation currently assigned to the Columbia Division, Greenville, South Carolina Resident Agency. I have been a Special Agent for nineteen (19) years.

B. Beginning in August 1999, I began an investigation in to what is commonly referred to as High Yield Investment Program Fraud (hereafter, HYIP Fraud).

C. I am knowledgeable concerning HYIP Fraud based upon training, research, experience in investigating same and upon consultation with officials and experts from the following investigatory, regulatory, prosecutorial and educational organizations:

United States Treasury Department  
United States Bureau of Public Debt  
Federal Reserve Corp.  
International Monetary Fund  
International Chamber of Commerce  
The World Bank  
Comptroller of the Currency for the United States  
United States Central Intelligence Agency  
United States Department of Justice  
United States National Security Agency  
United States Secret Service  
United States Securities and Exchange Commission  
London Metropolitan Police  
United States Attorney, District of South Carolina  
United States Attorney, Middle District of Georgia  
United States Attorney, Southern District of Ohio  
F.B.I. Legal Attache, Bern, Switzerland

cc / Fred Thorne  
FBI / m / w



F.B.I. Legal Attache, London, England  
F.B.I. Economic Crimes Unit, Washington, D.C.  
Professor James Byrne, George Mason University School of Law

D. Based upon my training and experience, I am aware of the following facts:

1. "High Yield Investment Program Fraud" is the general term given to fraud schemes that go by various names, including Prime Bank Investment Programs, Prime Bank Debenture Programs, Prime Bank Guarantee, High Yield Trading Programs, Medium Term Note Trading Programs, Standby Letter of Credit Trading Programs and Rolle Programmes. In these schemes, the fraud artist purports to have access to secret financial trading programs sanctioned by the Federal Reserve Bank, the Treasury Department, the International Monetary Fund, the International Chamber of Commerce or some other entity involved in international monetary transactions or policy.
2. Claims are made that only a privileged few are invited to participate in the trading of some form of bank security such as guarantees, notes, stocks or debentures which can be bought at discount and traded or sold through a series of purchasers to an end purchaser who has already agreed to pay a price greatly in excess of the original purchase price. These end purchasers are generally referred to as commitment holders. The persons who purportedly handle these trades are usually referred to as traders licensed or authorized by the United States Federal Reserve. The perpetrators of this scheme often state that there are a limited number (usually five to seven) traders and commitment holders in the world and that only the top 10, 25 or 50 banks in the world are involved in these trading programs. These banks are referred to as "Prime Banks" from which the scheme takes one of its names.
3. The investor is guaranteed that he will receive profits far in excess of any normal investment and is quoted amounts of up to 200% per week. To receive such a return, the investor is told that he must invest a minimum of \$100,000,000.00 and that a portion of the funds must be turned over to the United States Government for humanitarian purposes around the world. Since September 11, 2001, a variation of this theme has been that the Government's portion of these extraordinary profits will be used to fight terrorism and to provide relief to the victims of the World Trade Center and Pentagon attacks. The investor is told that his funds are absolutely safe and never at risk in any way. A key element in inducing investment is to advise the investor that his funds will remain in his own account at his own bank and can never be lost.
4. Standard practice is for the investor first to be directed to provide a Letter of Intent, a Non-Solicitation Agreement, a Confidentiality Agreement, a Non-Circumvention Letter, a Bank Proof of Funds, a Client Information Summary and a copy of the Investor's Passport. The investor is then told that he must go through "compliance," which will be done by the F.B.I., C.I.A., Interpol, N.S.A., Federal Reserve or some other Government "compliance officer." He is also told that his funds will be verified on a "bank to bank" basis to make sure that they do exist and that they are "good, clean, clear funds of non-criminal origin."
5. As the schemes continue, the potential investor's questions are deflected by referring to the confidentiality requirements of the program. In particular, when an investor asks for references



from previous investors, he is told that the program's confidentiality requirements prohibit this. The investor is told that if this program ever became known to the general public, it would cause a crash of the world wide economic system because no one would invest funds anywhere but in these programs.

6. The perpetrators of these schemes often introduce the investor to various individuals in different parts of this and other countries who are identified as "brokers," "facilitators," "cutting house operators," "commitment holders," "traders," "compliance officers," "gatekeepers," "government officials," "federal financial task force operatives," members of groups such as the IMF, World Bank, Federal Reserve, etc. Such adding of players is designed to make the investor believe that he is moving ever higher in the chain of persons running these "programs." Additionally, the perpetrators of these schemes often claim to have associations with highly placed persons in the Federal Reserve and government entities such as the Federal Bureau of Investigation and the military. Often times, the names of actual persons such as Allen Greenspan are touted as personal associates.

7. Often, during the course of events, the investor is told that he will not be going into a Federal program after all because of the complexities involved but instead will be going into a commercial transaction which is virtually identical with the same rates of return and guarantees, but which is simpler or quicker to become involved in. This is one of the standard practices of changing the "pitch" as the scheme progresses to gradually gain control of the investor's funds.

8. Ultimately the perpetrator of these schemes simply steals the investor's funds. This is accomplished by using a variety of banking transactions each having in common the ultimate goal of moving the funds offshore so that they cannot be traced and recovered. Common methods of effectuating the transfer of funds out of the investor's account include using an assignment of accounts to the perpetrator, assignment to the perpetrator of a Certificate of Deposit purchased by the investor, transfer of the funds into a newly created corporate account controlled by the perpetrator, transfer of the funds into an inactive corporate account owned by the perpetrator, creation of a line of credit against the investor's account which is then used to obtain an equal amount of funds from another bank, and simply transferring the funds by using the information provided by the investor to pose as him and authorize the transfer. There are innumerable variations on the method in which the funds are ultimately stolen.

9. There are no secret investment trading programs such as described above. There are no traders licensed or authorized by the Federal Reserve to deal in such programs. There are no commitment holders who serve as end purchasers. None of the agencies cited as being involved in such programs are in any way involved. There is no such thing as Federal Reserve Compliance Officers who "oversee these trading programs" and no law enforcement agency is involved in "doing compliance" on potential investors.

10. Quite often the scheme is perpetrated in a "Ponzi" fashion, to wit, early investors receive some payments from either their own funds or funds from later investors. The payments then stop and the investors are repeatedly told that the payoff is coming any day but has been delayed



by problems in the foreign country, freezes of the funds by various agencies, banks not cooperating or any other number of bogus excuses. The simple fact is that the money has been stolen.

11. Certain words and phrases are repeatedly used by those perpetrating these HYIP Frauds. Some have absolutely no meaning in commercial banking or business practices and others are used in ways contrary to standard practices. Among the words and phrases that are used in these frauds are:

Humanitarian Projects  
European Banking Week  
European Banking Year  
Facilitator  
High Yield Investment Program  
Traders  
Commitment Holders  
Prime Banks  
Top Five, Ten or Twenty World Banks  
Bank Debenture Trading Programs  
Secret Trading Program  
Non-Circumvent Agreements  
Non-Disclosure Agreements  
“Good, Clean, Clear and of Non-Criminal Origin” Funds  
Broker  
Treasury Approved  
Fed Approved  
Rolle Programme  
Compliance Officer  
Projects  
“Rockefellers, Kennedys, etc made their money this way”  
“Allen Greenspan controls these programs”  
London Short Form  
London Short Form Letter of Credit  
Proof of Fund or POF  
Non-Depletion Account  
Hypothecation  
Cutting House  
Program Grew out of the Marshall Plan  
Bretton Woods Agreement

12. Warnings concerning this fraud have been published repeatedly in various publications and are easily located on the Internet. Among the many agencies publishing such notices are the following, along with their Internet Address, where such may be found:

United States Treasury Department  
[www. publicdebt.treas.gov](http://www.publicdebt.treas.gov)



Federal Reserve Corp.  
[www.federalreserve.gov](http://www.federalreserve.gov)

International Monetary Fund  
[www.imf.org](http://www.imf.org)

Federal Reserve Bank of New York  
[www.ny.frb.org](http://www.ny.frb.org)

World Bank  
[www.worldbank.org](http://www.worldbank.org)

International Chamber of Commerce  
[www.iccwbo.org](http://www.iccwbo.org)

United States Securities and Exchange Commission  
[www.sec.gov](http://www.sec.gov)

Office of the Comptroller of the Currency of the United States  
[www.occ.treas.gov](http://www.occ.treas.gov)

United States Federal Bureau of Investigation  
[www.fbi.gov](http://www.fbi.gov)

13. Should an investor become aware of one of the warnings listed above and question the perpetrator of the scheme, he is told that these are bogus warnings used to keep the programs secret.

14. In August 1999, your affiant began investigating an HYIP Fraud being operated out of Seneca, South Carolina. During the course of this investigation, an individual from Columbus, Ohio, began assisting the F.B.I. as a Confidential Informant (hereafter referred to as the CI). In early 2001, the CI advised that he had been approached by numerous people from around the United States, who, believing him to have a high net worth, offered him opportunities to invest in HYIP's. Your affiant recognized these programs as having all of the earmarks of fraudulent programs.

15. In June 2001, the F.B.I. began an undercover operation designed to capture on audio and video tape recordings of persons who were attempting to defraud investors through such bogus trading programs as are outlined above.

16. The CI was instructed to return calls to the person who had contacted him offering HYIP's. The CI was to tell each of these persons that he had a partner in Chicago, Illinois, with whom he was interested in entering into the offered program. The CI was advised to tell people that he and his partner operated as "Sweet Tea Investments." The CI would then go on to say that he and his



partner were interested in a face-to-face meeting to discuss the "programs," however, he and his partner were only together when they were in South Carolina where they were developing resort property. Meetings were then to be set up in South Carolina between the CI, his Chicago partner, and the person(s) offering the "programs."

17. A Special Agent in Chicago, who will hereinafter be referred to by his undercover name of Lou DeFranco, played the role of the CI's investment partner from Chicago. Additionally, your affiant and three other Special Agents in South Carolina took on undercover roles. The names which they used, and what role they played are as follows:

- a. Christopher David Martin, a wealthy South Carolina investor;
- b. Janie Kirkwood, part-time secretary to the CI, DeFranco and Martin;
- c. Paul Jennings, financial advisor; and
- d. Rob, limousine driver.

Each of these persons will also be referred to by his or her undercover name throughout this affidavit.

18. A luxurious residence on Lake Keowee, in Salem, South Carolina was rented to serve as the location where the CI and Lou DeFranco supposedly met periodically to work on their resort development. This residence was wired for audio and video and was used as a meeting place where numerous persons involved in these "trading programs" were recorded making their presentations.

19. In order to create the illusion of wealth on the part of the CI and the Special Agents posing as investors, the assistance of two banks in Ohio and one in South Carolina was enlisted. These banks allowed the use of their letterhead to create "account statements" for the "investors" showing deposits of many millions of dollars. To further enhance this undercover scenario, an F.B.I. Special Agent from Columbus, Ohio, played the role of a bank official using the undercover name Mark Thomas, who would verify the account statements. This agent will also be referred to hereafter by his undercover name of Mark Thomas.

20. In June 2001, the CI advised your affiant that he had been offered an investment opportunity by Peter Johnson from Hampton, Ontario, Canada. The CI was instructed to telephone Johnson and advise him that he was in a position to invest funds along with his partner, Lou DeFranco, a real estate developer from Chicago. A series of telephone calls and meetings thereafter occurred as delineated below. All conversations were recorded, unless specifically noted otherwise.

21. During the time period of June 29, 2001, through July 15, 2001, the CI and Lou DeFranco had numerous telephone conversations with Johnson. Johnson advised that his associate was Joseph Finney of Colorado Springs, Colorado. In telephone conversations, Johnson and Finney advised the CI and DeFranco that they had a secret, no-risk investment program that was supervised by the United States Government and involved humanitarian projects. They advised



that they would provide further information and answer any questions but that such would have to be done in a face-to-face meeting. Both cited confidentiality requirements in declining to present information over the telephone. A meeting with Johnson and Finney was set for July 16, 2001, at the Lake Keowee house.

22. On July 16, 2001, Johnson and Finney met with DeFranco at the Lake Keowee house. At this meeting, Finney was the primary presenter with Johnson occasionally adding a comment or stating his agreement with what Finney was saying. In summary, Finney made a standard HYIP fraud pitch as outlined above including a recitation about how all of this evolved out of the Marshall Plan and that the program was a method for funding humanitarian projects.

23. Some particular statements made by Johnson and Finney at the July 16, 2001, meeting were as follows:

Finney: The program being offered involves the issuance of mid-term notes by top European banks which are ultimately sold to institutional buyers at face value after having been traded multiple times at far less than face value.

Finney: The program being offered is administered by the "Fed" and that Allen Greenspan runs the program. The program is operated by "traders," "commitment holders" and "providers" all of whom are licensed by the President.

Finney: His introduction to the program was through the richest man in Poland.

Finney: In order to go into the program one has to go through compliance which is done by the FBI and CIA.

Finney: The amount of profit cannot be stated, however, averages will be in excess of 100% per month.

Finney and Johnson: At one point, all of the Arabian oil millionaires had been in this trading program.

Finney and Johnson: Finney has been in this business two years and Johnson has been in it over three years. Both have money invested in the program and have seen their investment multiply eight-fold in the course of a few months.

24. The meeting of July 16, 2001, ended with Finney leaving several forms for DeFranco to fill out including a Letter of Intent, Securing Documents and a Certificate of Non-Solicitation. Finney advised that after the documents were completed DeFranco would be introduced to an intermediary whose first name is Bowden. Finney declined to give the last name.

25. On July 23, 2001, a telephone conversation was had between Johnson and DeFranco in which Johnson advised that DeFranco would need to send in a Proof of Funds showing that he did have money to invest. Johnson also stated that he was in the process of placing \$650 Million



that he had just received from China.

26. On August 6, 2001, Johnson sent, via facsimile, to the CI at the Lake Keowee house a letter from Finney directing that a Proof of Funds and Letter of Interest should be sent to Bowden Atherton, President of Freeman, Boydston & Rolyat, Inc. Merchant Bankers, Oklahoma National Bank Building, Tulsa Oklahoma. Finney's letter advised that upon receipt of the documents, Atherton would contact the CI. Your affiant caused these documents to be completed and sent via facsimile to Atherton and Finney.

27. In the above-referenced facsimile, Finney further advised that Mr. Atherton and the "power man" would "draw up an agreement" and that to "reduce compliance time," the "power man" would have to be a signatory on the investors' account. This was different from Johnson and Finney's earlier assertion that control of the funds would remain solely with the investors.

28. On August 21, 2001, a conference call was had between DeFranco, Finney and Atherton. In summary, Atherton described the program in generally the same terms as had Johnson and Finney. Particular statements made by Atherton were as follows:

- a. The next step is for DeFranco to be introduced to the "project partner;"
- b. The "project partner" represents the "cutting house;"
- c. The "cutting house" works directly with the Federal Reserve, which oversees all aspects of the program being offered.
- d. Atherton has been in the business for six (6) years and the business is by invitation only.

29. On August 21, 2001, DeFranco spoke telephonically with Johnson and asked what a "cutting house" was. Johnson advised that this is the facility where the bonds they will be trading are produced.

30. Over the next several days, DeFranco continued to have telephone conversations with Johnson and Finney. Johnson advised DeFranco that Atherton's associate, Victor, whose last name Johnson would not disclose, would be the next person DeFranco would be introduced to. Johnson went on to say that he could now tell DeFranco that he will make a minimum of "25 points" a day on his investment. Finney advised DeFranco that Victor was recommended by a person licensed by President Carter.

31. On August 27, 2001, a conference call was had between DeFranco, Finney, Atherton and Victor who was introduced as Victor Vaccaro from Overland Park, Kansas. Vaccaro made a presentation similar to what Johnson, Finney, and Atherton had made and included the following specific statements:

- a. The introduction into this program requires a Letter of Intent and Proof of Funds, which go to the "Director" who sends it to the "Fed."



b. The next step in the process is for DeFranco to be introduced to Vaccaro's associate, Mark Petkovich.

c. All contracts in the program are approved Reserve official would be assigned to the investor's account; however, if contacted, the Federal Reserve would deny the existence of these programs due to confidentiality.

d. He (Vaccaro) has successfully done one of these transactions each quarter for the last eight years.

e. There is a profit guarantee of 100% per week and an investor's cash always remains in his own bank account; however, the investor must choose among three methods of presenting his funds for entry into the trade programs. They are:

(1) A non-depletion account can be set up and assigned to a corporation that will be created by the "Fed." The investor's funds are then placed in this account.

(Your affiant is familiar with the use of "non-depletion" accounts as used in connection with HYIP Frauds. In such an account, no money is to be removed unless and until a security of an equal value is deposited in the account. In an HYIP Fraud, counterfeit securities, or other worthless documents purporting to have value, are placed in the account while the account's deposits are simultaneously withdrawn. The unwary investor does not realize what has happened until he tries to sell the securities in his account only to find that they are near, or totally, worthless.)

(2) A Certificate of Deposit (CD) or similar instrument is purchased and assigned to the trading partner. The trader then "hypothecates" the instrument in order to obtain cash for trading.

(Your affiant is also familiar with this procedure as used in HYIP Frauds. The investor is led to believe that his funds are secure because they "remain in his own bank" even after the CD is purchased and assigned. It is true that his funds are still in his own bank; however, he no longer owns them—he has used them to purchase the CD, which he has then assigned away. The investor is further misled into believing that "hypothecation" is some sort of exotic financial procedure, when, in fact, it means nothing more than borrowing against a security. This procedure causes the investor to buy a security and give the "trader" the ability to borrow against it and abscond with the money.)

(3) The investor can send his money to the trader via a SWIFT MT172.  
by the Federal Reserve and that a Federal

(Your affiant is familiar with the use of SWIFT's in connection with HYIP Frauds. SWIFT is an acronym for Society for the Worldwide Interbank Financial Telecommunication. This is a private organization dedicated to the promotion and development of standardized global interactivity for financial transactions. The Society operates an electronic messaging service for financial messages, such as letters of credit, payments and securities transactions between member banks worldwide. SWIFT is headquartered at Avenue Adele 1, B-1310 LaHulpe, Belgium. SWIFT has standardized communications referred to by form numbers, each designed

to accomplish a certain purpose. In one variation of the Prime Bank Fraud Scheme, an investor is directed to have his bank send a certain numbered SWIFT message to the "trader's" bank and is told that this message merely verifies that he has funds available in his bank and that they have been "blocked;" that is they are pledged to remain there for a certain period of time. In actuality, the SWIFT numbered message that the investor has been given is one which will cause his funds to be transferred to the "trader's" account. The "trader" can then do as he wishes with the funds. Another variation is to use a SWIFT numbered message that allows a line of credit to be opened against the investor's account, which line of credit is then used to deplete the investor's account.)

32. On August 28, 2001, a conference call was had between DeFranco, Vaccaro and Mark Petkovich. Petkovich stated that he was located in Nashville, Tennessee, but would not state for whom he worked until "later in the process." Petkovich made a presentation that is basically the same as did the others person referenced above. In particular, he made the following statements:

- a. Vaccaro has been bringing him (Petkovich) clients for quite some time.
- b. The next step that DeFranco must take is to be introduced to the Director and Chairman of the "corporation" with whom Petkovich deals directly; however, he cannot reveal the name of this organization until DeFranco "passes compliance." The "Director" is located in British Columbia.
- c. The Director and Chairman will direct DeFranco on setting up a non-depletion account and that such will be done in conjunction with the setting up of a new corporation approved by the "Feds". DeFranco will be an officer of that corporation but cannot have signatory authority on the "non-depletion account"
- d. A line of credit will be issued against the non-depletion account; however, the funds will not be encumbered, although they must remain in the account for a minimum of 115 days. (Petkovich offered no explanation as to how an account can be used as the collateral for a line of credit but "not be encumbered.")
- e. DeFranco will be guaranteed, in writing, a profit of 125% per week; however, there may be up to 8 trades per day resulting in a daily profit of 200%.
- f. This entire process is top secret because the "Feds" do not want anyone to know about it. It is entirely controlled by the "Feds" who issue the "paper" directly from the Fed pool.
- g. The next step that DeFranco must take is to send, via facsimile, a copy of his passport and a new Proof of Funds to Vaccaro.

33. Your affiant did then cause to be sent, via facsimile, to Vaccaro a Proof of Funds and a passport in the name of Lou DeFranco, bearing a photograph of the undercover agent playing that role.

34. On August 28, 2001, another meeting was had at the Lake Keowee house between DeFranco and Finney. At this meeting, Finney repeated a number of his previous statements about trading programs and further advised DeFranco of the following:



- a. Petkovich is highly placed in the cutting house, which is the "project partner."
- b. The "Director" referred to by Petkovich is the "Director" of the cutting house.
- c. There are 8 "licensees" appointed by the President.
- d. If DeFranco puts in \$100 Million, this will grow to \$4 Billion within one year.
- e. Finney has \$5 Million invested in a similar trading program with another group of individuals.

During the course of this meeting, a conference telephone call came in from Vaccaro and Petkovich and a conversation was had between them and DeFranco.

Vaccaro and Petkovich reiterated many of their prior statements concerning how the program works and how the "Fed" controls it. They advised DeFranco that as things have developed, it will not be necessary for him to meet with a compliance officer but that compliance is in fact continuing. DeFranco asked repeatedly for a face-to-face meeting with whomever he would be contracting with and was told that confidentiality may prohibit this.

35. On August 29, 2001, Vaccaro and Petkovich called DeFranco and directed that a Proof of Funds and a letter signed by two officers stating that DeFranco's funds were clean, clear and unencumbered be sent to "Mr. Bal" who would then forward all the documents on to the "Fed." Petkovich stated that everything is ready for a face- to-face and a "signing."

36. On September 6, 2001, DeFranco spoke telephonically with Vaccaro. Vaccaro advised that he had been extremely busy and was dealing with twelve contracts such as DeFranco would be signing. He further stated that the "Chairman of the Board" was ill and that the Federal Compliance Officer deals only with the Chairman. Vaccaro then stated that Bal is the Director and would handle the deal; however, he is located in Vancouver and does not travel. Vaccaro then stated that a contract setting out everything would be sent to DeFranco shortly. Vaccaro went on to say that he had been doing this business for 8 years and was always paid by the cutting house.

37. On September 10, 2001, a document was received, via facsimile, by DeFranco at the Lake Keowee house. Such document was entitled "Reserved Funds Management Account." It listed the parties involved as H & R Financial Ltd. and Lou DeFranco, dba Sweet Tea Investments. The document had been executed by Antonius M. Heijnen as President of H & R Financial. Within this document, Lou DeFranco was referred to as the "financial partner" and H & R was referred to as the "project partner." The document stated the following as to the "Profit Share Schedule:"

Part 1: 100% net return per month for 10 months to Financial Partner, paid monthly (Starting after the second month, see part 2).

Part 2: First monthly dividend (30 days of credit line issue) will be used for the purchase and sale

of MTN's Buy/Sell MTN's will bring net return (before tax) of 100% per week to Financial Partner, paid weekly.

38. On the document referred to in the paragraph next above, the address for H & R Financial is listed as 5850 Eubank Blvd. NE # B49-239, Albuquerque, NM 87111. Your affiant has determined that this is nothing more than a mail drop. Further, your affiant has determined that H & R has no physical office.

39. On the document referred to in the paragraphs next above, a Web address of <http://go.to/hr-financial> is listed. A web page is found at this address. This is a single page site with the heading H & R Financial Ltd. Contained in the site is the following statement: "H & R Financial is an international financial corporation, specialized in investments, project financing, financial restructuring and corporate acquisitions."

40. Your affiant did then cause a search to be made of the New Mexico Secretary of State's Corporate Records. A company styled "Ruwach International Holding" was shown as being owned by Antonius M. Heijnen and its registered office address was listed as the same mail drop on Eubank Blvd. that Heijnen used in connection with H & R Financial. A search of the Internet was made by your affiant and a web page for Ruwach International Holding was found. The following statements are on the Ruwach International Holding web page:

a. Ruwach International Ltd. is an international group of Intermediaries, Traders, Bankers, Financiers, Engineers & Consultants.

b. Our head office is located in Albuquerque, New Mexico, USA. We have representative offices in Italy, Canada, The Netherlands, India, Germany and Switzerland with new offices in China and Russia in processing.

c. We currently hold a total of approx. USD 25-30 Billion in collateral and/or assets and we are involved in joint venture projects in Canada, USA, Brazil, China, Mexico, Panama, East Europe, Greece, Middle East and South Africa.

d. We are mostly focused on humanitarian projects with involvement of local or national governments. UN and World Bank involvement is of course preferred.

41. Your affiant has been unable to find any evidence supporting any of the statements made in either the H & R or Ruwach web sites as listed in the paragraphs next-above beyond confirming that Heijnen, acting as H & R Financial and Ruwach International, does have a mail drop address in Albuquerque.

42. Upon receipt of the contract from H & R Financial, an attempt was made to set up a meeting with Antonius Heijnen or Mr. Bal, whose first name was not known at that point. Between September 13, 2001, and September 25, 2001, numerous telephonic conversations were had between DeFranco, Vaccaro and Petkovich.

Additionally, your affiant, posing as DeFranco's financial advisor Paul Jennings, spoke



telephonically with these individuals. During these various calls, both Vaccaro and Petkovich stated that Heijnen was ill and could not meet with DeFranco at that time. In one conversation, Petkovich stated that federal compliance officers had traveled to New Mexico to meet with the "Chairman" because US dollars were desperately needed in light of the events of September 11. In another conversation, Petkovich stated that the "Fed" was pressuring them for investors due to the disaster.

43. Although a meeting could not be arranged with Heijnen or Bal, Vaccaro and Petkovich agreed to meet with DeFranco in Chicago in October 11, 2001. This meeting did occur and Vaccaro and Petkovich reiterated their previous statements regarding how the program worked, the need for secrecy, their successful track record, etc. During the meeting, DeFranco executed the contract referred to in paragraph 37 above. In referring to the contract, Petkovich stated that the return amounts were correctly stated and that DeFranco would realize a profit of 100% per week plus 100% per month for a total monthly profit of 500% on his investment. Petkovich advised DeFranco that the next step would be for him to convert his account to a non-depleting account and assign this account to Heijnen.

44. During the meeting in Chicago referred to in the paragraph next- above, Mr. Bal called the office of DeFranco and got Antonius Heijnen on a conference call with DeFranco. DeFranco placed this call on a speakerphone and Vaccaro, Petkovich, Bal, Heijnen and DeFranco all participated. Heijnen stated that the program being offered was "Fed" controlled, that participants dealt with "Fed traders," that there was an absolute requirement of secrecy, and that banks would deny the program's existence. When advised that DeFranco had not yet set up a non-depletion account, Heijnen said that they could proceed without doing so. Heijnen directed DeFranco to go ahead and assign his account to him stating that he would use another mechanism to insure that DeFranco's funds could not be lost.  
(Such a mechanism was never put in place by Heijnen).

45. On October 12, 2001, DeFranco was contacted by Mr. Bal. He stated that his first name was Hardev and he acknowledged that he was an associate of Antonius Heijnen in H & R Financial.

46. In order to make Heijnen and the other participants believe that DeFranco's account had been assigned to H & R Financial, your affiant caused a deed of assignment of the account to be prepared. Your affiant did then cause a letter to be prepared which purported to be a confirmation letter from Mark Thomas at DeFranco's bank addressed to Heijnen advising him that the funds in DeFranco's account had been transferred in to a new account in the name of H&R Financial. This letter was then sent to Heijnen. To further the illusion that funds had been transferred to Heijnen's corporate alter ego, and to introduce the FBI Special Agent playing the role of banker Mark Thomas to Heijnen, Thomas called and advised Heijnen that signature cards must be filled out by him and provided such signature cards. During the calls in which Thomas discussed this with Heijnen, Heijnen told Thomas that he was already "cleared by the Feds" to place the funds in trade and gave some details of the program such as had been presented to DeFranco. Heijnen also advised that Bal's role would be to forward documents and messages.

47. On October 26, 2001, Heijnen had several telephone conversations with Thomas. In these calls he advised that the next step would be a telephone call from a Henry Young in New York



who would be calling to verify the funds in the new account. According to Heijnen, Young was the person who was responsible for putting the deal together in New York. Heijnen stated that Young worked with the "Feds" but is not part of the "Fed." Heijnen further advised that Federal protocol required Young to call the main switchboard number of the bank and be put through to the bank officer verifying the funds.

48. On October 26, 2001, Thomas spoke telephonically with Henry Young, who it was learned is associated with the African Trading Company in New York. Young asked for verification that Thomas had signed the letter for the bank verifying the funds that had been placed in Heijnen's account.

49. On October 29, 2001, Thomas spoke telephonically with Henry Young who advised that Antonius would be signing a special document with the United States Government and an I.M.F. official. Young stated that he needed a re-verification of the authenticity of the letters from the bank to be sent via either SWIFT or FAX.

*(Your affiant has determined that Young was the subject of an FBI HYIP Fraud investigation in Chicago in the Fall of 2000. Further, your affiant has learned that Young was given written notice by the FBI in Chicago in November, 2000 that these programs do not exist and that the promoting of same is a Federal offense.)*

50. On November 2, 2001, DeFranco spoke telephonically with Heijnen who advised that DeFranco's deal will be a Federal Reserve program and that Henry Young is the compliance officer.

51. On November 26, 2001, Tomas spoke telephonically with Heijnen. Heijnen advised that the program that DeFranco was going into would be in conjunction with an entity called Single Digit Asset, Ltd., which had a bank account at First Union Bank in Virginia. Heijnen requested that Thomas send from his bank to the First Union Bank, SWIFT Forms 950 and 760 confirming the funds in the account which had been set up for Heijnen and blocking the account for one year and one month in favor of Single Digit Asset, Ltd. Heijnen went on to state that by initiating these forms, a line of credit would be established and DeFranco would be making profits of 36% per day within a matter of days. Heijnen then sent, via facsimile, to Thomas the following information regarding the Single Digit account:

Bank: First Union Bank  
Innsbrook Financial Center  
420 Cox Road  
Glen Allen, Virginia  
Bank Officer: Bill Kissinger  
Acct. Name: Single Digit Asset, Ltd.  
Acct. # 200-000-980-7668

52. Upon being advised of this development by Thomas, your affiant began an investigation into the existence and ownership of the referenced account. It was learned that this was a real account which had been opened approximately one month earlier and the following information



concerning it was obtained from First Union Bank:

Account Name: Single Digit Asset, Ltd.

Signatories: Marius Vermaak

John Cocoman

Address for Single Digit Asset Ltd.: PO Box 4015 Korsten

Port Elizabeth, South Africa

Account Opened: October 23, 2001

Business Start Date: October 1, 2001

Further, it was learned from First Union that Vermaak also opened personal accounts at First Union on October 23, 2001. Vermaak provided an address of P.O. Box 202, Green Bushes, Port Elizabeth for these personal accounts.

A Florida address and a Connecticut address were given by Cocoman. It was later learned that Cocoman lived at the Florida address.

All of the accounts had been opened via UPS submission of documents. There was no money at all in these accounts.

**53. Your affiant determined that the investigation should, at this point, be moved away from Johnson, Finney, Atherton, Vaccaro, Petkovich, Bal and Heijnen, all of whom had repeatedly tried to sell DeFranco what was clearly a standard fraudulent HYIP investment, and move forward in determining what role Vermaak and Cocoman played.** The first step in this was to make Heijnen believe that the SWIFT messages were in the process of being sent causing him to believe that everything was proceeding according to his plan. Documents purporting to be copies of SWIFT Forms 760 and 950 were prepared at your affiant's direction and sent, via facsimile, to Heijnen by Mark Thomas who represented that they were being sent to First Union Bank. Thomas then made up excuses for a "delay" in sending them due to "internal procedures." This allowed your affiant time to put into play an operation to deal with Cocoman and Vermaak.

54. During this time, your affiant consulted with bank officers who advised that the SWIFT Messages 760 and 950 with the wording requested did not comport with standard SWIFT and banking practices. On November 29, 2001, an unknown person, claiming to be Mark Thomas, called Bill Kissinger at First Union Bank and asked if a SWIFT had come in transferring \$100,000,000.00 to the Single Digit Asset account. Your affiant is unaware of anyone outside of law enforcement who was aware of this situation other than Heijnen and his associates.

Your affiant would submit that it is logical to conclude that Heijnen and his associates believed that they were in the process of getting DeFranco's funds in to their complete control outside of DeFranco's bank and the call was to determine if they had succeeded.

55. In dealing with Cocoman and Vermaak, your affiant secured the assistance of the security section of First Union Bank. The security section provided a bank officer who, using the undercover name of Brantley Garland, posed as an account executive for large investors. Garland was instructed to contact Cocoman telephonically and represent that there were some questions



about the account, which needed to be answered.

56. Garland spoke telephonically with Cocoman on December 4, 2001. Cocoman advised that he and Vermaak were partners and that Vermaak was located in South Africa. Cocoman went on to say that the Single Digit Asset, Ltd. account was to be a non-depletion account and that once the funds were in it that "notes" would be coming in the amount of approximately \$100, 000,000.00. During this conversation, Cocoman described the trading program in terms and concepts that are classic HYIP Fraud verbiage. Garland advised Cocoman that there had been an error in opening the Single Digit Asset account and that, in order to keep it open, Cocoman and Vermaak would have to appear in person at a branch of the bank. Cocoman advised that he would do so but that there might be a problem with Vermaak because he was in South Africa. Garland advised that he was going to be in Greenville, South Carolina, on December 5, 2001, on another matter and a meeting was set up in Greenville for that date.

57. On December 5, 2001, Garland met with Cocoman at a First Union Bank branch office in Greenville, South Carolina. At this meeting, Cocoman continued to make the standard bogus statements about the trading program. Cocoman also made statements about his background and assets, which he has now admitted, were totally fictitious. Cocoman was arrested, entered a plea of guilty in Federal Court, and has cooperated with your affiant in this investigation.

58. On December 4, 2001, Garland spoke telephonically with Vermaak in South Africa. He advised Vermaak, as he had Cocoman, that he needed to meet with him. Vermaak resisted this meeting but agreed to send to Garland, via facsimile, information about himself and his program. During this conversation, Vermaak advised that he works with certified humanitarian programs in Mexico and Equador in addition to other places. Vermaak also advised Garland that he was a personal friend with the retired senior director of the FBI and that he could have this person meet Garland and vouch for him if necessary.

59. On December 5, 2001, Garland received, via facsimile, a package of materials from Vermaak. Included in this package was a two page cover letter, a one page example of a "conditional SWIFT," a one page example of a Medium Term Note, three pages of documents relating to a Dr. Sheker and Autonomous Youth World Center, which purports to be the humanitarian project involved in this trading program, and a copy of Vermaak's South African passport. Your affiant has examined this package of materials and would testify that it contains the standard HYIP Fraud language such as references to buying and selling Bank Guarantees (for which there is no secondary market) and the use of "Conditional SWIFTs" (which are unknown in legitimate financial transactions.)

60. Over the next several days, Cocoman was debriefed by your affiant. Cocoman stated that he had only recently become involved with Vermaak who had solicited him to open an account and be involved in the sale of "paper." Cocoman stated that he had dealt only with Vermaak and did not know any of the other people whose names are stated herein. He went on to state that any information, other than his false statements about his own background, he had provided to Garland, had been provided to him by Vermaak. Cocoman admitted that he had been on the fringes of fraudulent investment programs in the past. He further stated that he suspected that Vermaak's operation was fraudulent also, but did nothing to ascertain the legitimacy of it.



61. At the request of your affiant, Cocoman placed several calls to Vermaak in an attempt to get him to come to the United States and also to record Vermaak discussing the program. Vermaak did discuss the "program" with Cocoman and the calls were recorded. Vermaak, however, refused to come to the United States to finish the transaction, even when Cocoman offered to pay all of his expenses.
62. First Union Bank was then asked by your affiant to close out the Single Digit Asset, Ltd. account and to advise anyone who asked that this had been done due to non-compliance with bank procedures.
63. At that point, your affiant determined that further contact with Heijnen would result only in cumulative evidence and that the investigation should be ended. In that the investigation of this group of individuals was only one of multiple investigations, which your affiant was conducting, using the same cast of undercover agents, it was necessary to end contact without disclosing the investigation. Your affiant directed DeFranco to express displeasure to Heijnen with how things were going and gradually build up to simply telling him that he was not going to invest with him.
64. In several telephone calls and E-Mail communications, DeFranco did as directed. Heijnen attempted to convince DeFranco not to back away from the "program." In one of these communications, Heijnen agreed to have a government official call DeFranco and vouch for the program.
65. On December 13, 2001, DeFranco was called by a person identifying himself as George Rieg. This person stated that they had a mutual friend named Antonius Heijnen. Rieg stated that he was a former FBI Agent and that he was now a part of a financial task force overseeing the trading programs that Heijnen was offering. Rieg went on to say that this task force operated out of 1600 Pennsylvania Avenue and was run by an Admiral Morris. According to Rieg, the task force was aware of the problems that Heijnen had had with First Union Bank and they recommended that Heijnen take the investment through London. Further, Rieg stated that the task force would vouch completely for Heijnen's program.
66. After several acrimonious exchanges between Heijnen and DeFranco, DeFranco ended his contact with Heijnen and his associates in late December 2001.
67. Upon closing the DeFranco-Heijnen communications, your affiant did then launch an effort to determine more about George Rieg's role in this matter. Posing as Paul Jennings, your affiant did engage in numerous telephone conversations with Rieg during December 2001, and January 2002. Your affiant advised Rieg that he might be able to get DeFranco back into the investment and, if that failed, he had another possible investor named Christopher Martin. In discussing these possibilities and trying to induce investment by either DeFranco or Martin, Rieg made the following statements:
- a. He was formerly an FBI Special Agent. (Your affiant has verified that this is correct.)
  - b. He is part of a Task Force that was first started as the investigative arm of the G-7, now the G-

8.

c. The Task Force is headed by Admiral Lee Morris.

d. He (Rieg) is located in Canada, and cannot travel because he has to "man the desk."

e. The Task Force has representatives from virtually every Federal agency.

f. The Task Force's role is to oversee the secret trading programs that are run by the Federal Reserve .

g. All of these programs require a minimum investment of \$1,000,000.00.

h. His role in the Task Force is to recruit investors into the Federal Reserve secret trading programs.

68. During the course of the activities described herein, each of the following individuals made, or caused to be made, one or more completed telephone calls or other wire communications to South Carolina from locations outside of South Carolina, for the purpose of furthering the scheme and artifice that has been described:

Peter Johnson  
Joseph Finney  
Bowden Atherton  
Victor Vaccaro  
Mark Petkovich  
Hardev Bal  
Antonius Heijnen  
Marius Vermaak  
George Rieg

Sworn to this \_\_\_\_\_ day of March, 2003.

Paul A. Jacobs  
Special Agent  
Federal Bureau of Investigation

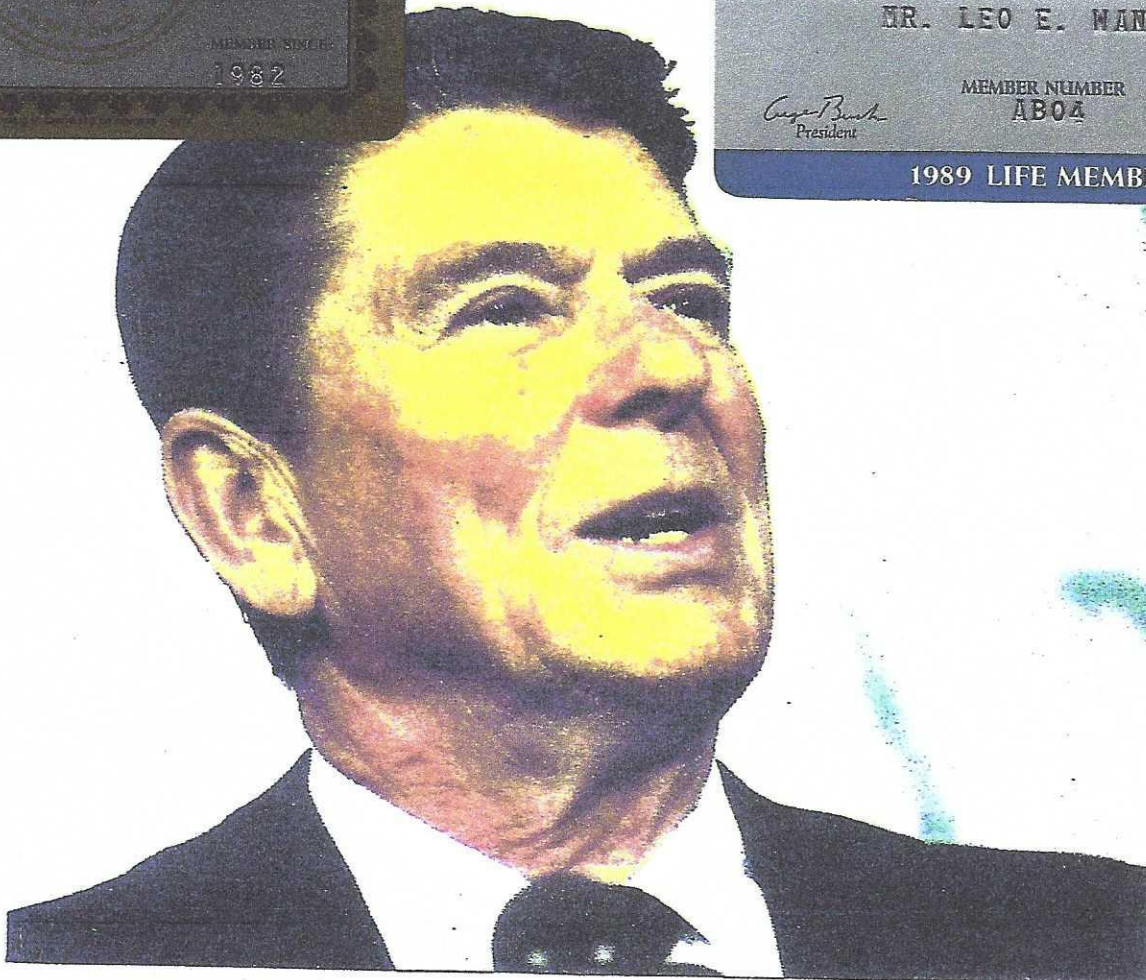
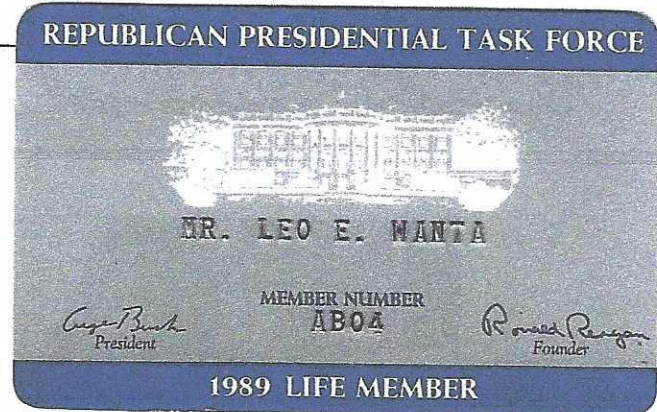
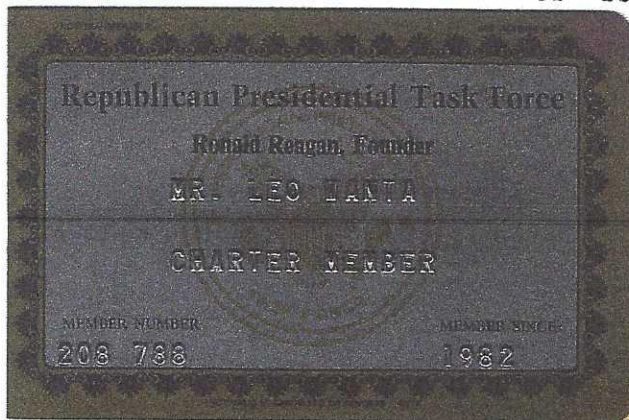
*Edited by: Diligizer at: 3/18/03 11:51:41 am*



# ANTHEM

New Republic/USA Financial Group, GES.m.b.H  
Kartnerstrabe 28/15 Telefon: 513.4235  
A - 1010 Wien, Austria-Europe

PART 1-B



*Leo, with my deepest personal regards,  
Ronald Reagan*



**CONFIRMING**  
**LEO EMIL WANTA**

No. 02- 1544

IN THE  
**Supreme Court of the United States**

AMBASSADOR LEO WANTA, SOMALIA AMBASSADOR TO  
CANADA AND SWITZERLAND, ddp#-04362 & 12535,  
aka LEE E. WANTA, aka LEO E. WANTA,

*Petitioner,*

SECRETARY RICHARD G. CHANDLER, WISCONSIN  
DEPARTMENT OF REVENUE; *et al.*,

*Respondents.*

ON PETITION FOR A WRIT OF CERTIORARI TO THE  
UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

**PETITION FOR A WRIT OF CERTIORARI**

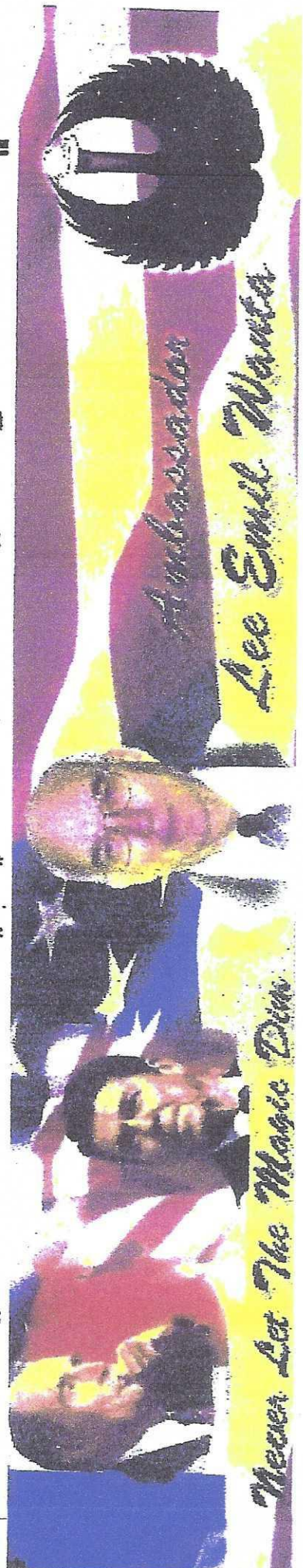
THOMAS E. HENRY  
1125 South 79th Street  
Omaha, NE 68124  
(402) 933-6421

STEVEN D. GOODWIN  
GOODWIN, SUTTON & DUVAL, PLC  
Old City Hall, Suite 350  
1001 East Broad Street  
Richmond, VA 23219  
(804) 643-0000

*Counsel for Petitioner*

179221

COUNSEL PRESS  
(800) 274-3321 - (800) 359-0839





# SHERIFF

Waukesha  
SHERIFF  
County



THIS IS TO CERTIFY THAT

Leo E. Wanta

IS A SPECIAL

Deputy Sheriff

OF Waukesha COUNTY

FOR TERM ENDING Jan. 6, 1975

SIGNED Edward J. O'Connor

SHERIFF OF Waukesha COUNTY

THIS IS TO CERTIFY THAT

Leo E. Wanta

IS A SPECIAL

Deputy Sheriff

OF Waukesha COUNTY

FOR TERM ENDING Jan. 1, 1979

SIGNED Edward J. O'Connor

SHERIFF OF Waukesha COUNTY

THIS IS TO CERTIFY THAT  
LEO E. WANTA

IS A SPECIAL

Deputy Sheriff

OF WAUKESHA COUNTY

FOR TERM ENDING JANUARY 6, 1983

SIGNED David J. Klein

SHERIFF OF WAUKESHA COUNTY

THIS IS TO CERTIFY THAT

Leo Wanta

IS A SPECIAL

Deputy Sheriff

OF Waukesha COUNTY

FOR TERM ENDING Jan. 3, 1977

SIGNED Edward J. O'Connor

SHERIFF OF Waukesha COUNTY

THIS IS TO CERTIFY THAT

Leo Wanta

IS A SPECIAL

Deputy Sheriff

OF Waukesha COUNTY

FOR TERM ENDING 12/82

SIGNED David J. Klein

SHERIFF OF Waukesha COUNTY

81





**WAUKESHA COUNTY SPECIAL  
DEPUTY SHERIFFS ASSOCIATION  
515 W. MORELAND BOULEVARD  
WAUKESHA, WISCONSIN 53186**

**PRESIDENT  
GORDON A. JAWORSKI  
EXECUTIVE VICE PRESIDENT  
LEE E. WANTA  
VICE PRESIDENT  
NEIL A. EVANS  
SECRETARY**







LEO Wanta

DEPARTMENT OF THE TREASURY  
UNITED STATES CUSTOMS SERVICE

PURCHASE OF INFORMATION/EVIDENCE TRANSACTION RECEIPT

4200, P&PM

1. PAYMENT FOR PURCHASE OF: <input checked="" type="checkbox"/> INFORMATION <input type="checkbox"/> EVIDENCE		PART 1 - REQUEST FOR PAYMENT	
2. CASE NUMBER INVOLVED NY03188V003		3. DATE REQUEST INITIATED July 8, 1988	
4. AMOUNT OF PAYMENT REQUESTED (Write Out) Eight hundred seventy-five dollars		5. CONFIDENTIAL SOURCE ASSUMED/TRUE NAME Frank B. Ingram	
6. CONFIDENTIAL SOURCE NUMBER S-A32 NY		7. REASON FOR PAYMENT Information relative to persons involved in conspiracy to illegally export war materials in violation of the Arms Export Administration Act and Neutrality Act.	
8. TITLE OF OFFICER REQUESTING PAYMENT Senior Special Agent		9. REQUESTING OFFICER'S SIGNATURE William J. Le Caras, Jr.	
10. TITLE AND SIGNATURE OF APPROVING SUPERVISOR Gary L. Wright Special Agent in Charge, Gary L. Wright		PART 2 - SUPERVISORY APPROVAL OF PAYMENT	
11. DATE OF APPROVAL July 8, 1988		PART 3 - RECEIPT OF FUNDS FROM CASHIER*	
12. NAME AND DESIGNATION OF CASHIER Carolyn D. Gomez, Principal		13. DATE FUNDS RECEIVED July 8, 1988	
14. AMOUNT OF FUNDS ADVANCED (Write Out) Eight hundred seventy-five dollars & no/100		15. TITLE AND SIGNATURE OF OFFICER RECEIVING FUNDS William J. Le Caras, Jr., Senior Special Agent	
16. CASHIER NOTE: After Parts 1, 2, and 3 have been completed and signed, detach last copy and retain it as a temporary imprest fund receipt until the transaction is completed.			

PART 4 - PAYMENT TO CONFIDENTIAL SOURCE  
(NOTE: All copies of Part 4 must have original signatures.)

Received of SSA William J. Le Caras, Jr.  
(Name and title of officer making payment)

Eight hundred seventy-five & no/100  
(Write out figure amount)

a sum in the amount of \$875.00 dollars

on July 11, 1988 at Mobile, Alabama  
(Date) (City and State)

for information/evidence of violation(s) of laws enforced by the U.S. Customs Service. I have been advised and understand that the payment received constitutes taxable income under the provisions of the Internal Revenue Service laws of the United States.

Frank B. Ingram  
(Confidential Source Assumed/True Name)

Witnessed: William J. Le Caras, Jr. SSA

Witnessed: James H. Duff SA

DISTRIBUTION: (Write): IMPREST FUND 2 (Green): IMPREST FUND 3 (Yellow): SOURCE FILE 4 (Pink): SOURCE 5 (Gold): TEMP. RECEIPT

Customs Form 293 (092281)

OWN/ SEND - DVP - ISA - FBI - UST - BOLAND AMENDMENT VIOLATIONS - 07 JUL 88 Jpd F - 2014

Post-It™ brand fax transmittal memo 7671 # of pages > 13

TO: POTUS - B. OBAMA	FROM: A.M.B. LEO WANTA
CC: THE WHITE HOUSE	CA: AMERI JUST
Dept: ADMINISTRATION	Phone: (202) 379-7904
Fax: (202) 456-6605	Fax #

EXIT 001



CONFIDENTIAL

CONFIDENTIAL

217 Dr. Lutz was testing Red Mercury and other nuclear material as discovered by Wanta Groupe, as well as Osmium 187 (OS 187) trafficking through Switzerland, and Credit Suisse Banque facilities.

220 Wanta is obviously USG Intelligence in Europa and South East Asia. ops.

U.S. Government

XIII/253

Simply inquire of Inter Pol Secretary General Ray Kendall of USG Dossier on - Intelligence Activities of:

SECRET  
AGENTS

Authority:  
U.S. President  
Ronald Wilson  
Reagan's

MANDATE

E.O. 1233

- |   |                 |               |
|---|-----------------|---------------|
| ① | Leo Emil Wanta  | (Falconbird)  |
| ② | Frank B. Ingram | (SA 32NV)     |
| ③ | Rick Reynolds   | (SA 233MS)    |
| ④ | William Lecates | (RAC)         |
| ⑤ | Kok Howe Kwong  | (Transformer) |

Authority:  
TOTTEN DOCTRINE  
U.S. CUSTOMS SERVICE  
NASHVILLE, TENN

It is interesting to note that Leo Emil Wanta was illegally detained on July 7, 1993 in Lausanne, Switzerland for failure to pay US \$14,129.00 for a 1988/1989 State of Wisconsin tax assessment; ignoring the facts that the US \$14,129.00 was paid-in-full and settled by Wisconsin Department of Revenue Agreement, June 24, 1992.

While waiting for illegal abduction - July 7 to 17 November 1993, Wanta received chemical castration in Suisse Prison with all other inmates, contrary to numerous International Laws, USA/Canada Laws, Vienna Convention, Wisconsin Statutes, inter alia.

Wanta returned to USA by illegal and forceful abduction; whereas, a U.S. District Court on 19 November 1993, issued a full dismissal with prejudice in relation to false allegations of State of Wisconsin in May, 1993 to U.S. Federal Magistrate to abduct Wanta via U/S. State Department, Wisconsin State Attorney General, Wisconsin Department of Revenue tax agents and Suisse authorities through subterfuge, conspiracy, perjury, inter alia.

CONFIRMING  
LEO EMIL WANTA

CONFIDENTIAL

-19-

14



**FILED**

SEP 7 1984

SOFRON B. NEDILSKY  
CLERKUNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF WISCONSIN

In Re:

FALLS VENDING SERVICE, INC.,

O R D E R

Debtor.

C.A. No. 84-C-359

The matter under consideration began when Leo E. Wanta, designating himself as "stipulated petitioner for Falls Vending Service, Inc.," filed various motions challenging actions taken by the United States Bankruptcy Court for this district in a case entitled In Re: Falls Vending Service, Inc., Debtor (Case No. 83-02385). Wanta's motions are resisted by the Farmers and Merchants Bank of Menomonee Falls, a secured creditor in the bankruptcy action. Magistrate Robert L. Bittner, after a thorough examination of the matter, has recommended dismissing the action because Wanta lacks standing and also has failed to properly invoke this court's jurisdiction. I concur in the magistrate's analysis and adopt his recommendation in full.

In his written objections, Wanta contends that the magistrate's analysis of his standing is faulty because Falls Vending Service is not a legal and valid corporation, and therefore, cases holding that a corporation can only be represented by

5/19



licensed counsel do not apply to this matter. Even if Falls Vending Service is not a corporation, Wanta lacks standing because his affidavit testimony indicates he is only an employee of the company. The owner of a company cannot confer standing on a non-lawyer employee by stipulation or otherwise.

Wanta's objections do not address his failure to properly invoke this court's jurisdiction. No complaint has been filed. Wanta failed to follow the proper procedures to perfect an appeal pursuant to Part 8, Rule 8001 et seq. of the United States Bankruptcy Rules. The matter must be dismissed sua sponte for lack of jurisdiction.

THEREFORE IT IS ORDERED that the action is hereby dismissed.

Dated at Milwaukee, Wisconsin, this 7<sup>th</sup> day of Sept, 1984.

BY THE COURT:



John W. Reynolds  
Chief U.S. District Judge



A report has surfaced today that Eric Holder was made to resign over his failure to prosecute Senator Sheldon Songstad and Governor Don Sundquist over their \$30 billion attempted bribe and murder plot to hire hit men to kill Lee Wanta caught on tape and broken first on Before It's News in this story.

"Senator Songstad and Governor Sundquist Caught Red Handed Plotting Murder!"



Senator Sheldon Songstad

# ANTHEM

New Republic/USA Financial Group, GES.m.b.H  
Kartnerstrabe 28/15 Telefon: 513.4235  
A - 1010 Wien, Austria-Europe



Governor Don Sundquist

<https://vimeo.com/358555549>  
<https://vimeo.com/370672952>  
<http://eagleonetowanta.com>



<https://vimeo.com/383532623/5b524043e9>

Knights of Columbus  
Supreme Council Office  
1 Columbus Plaza  
New Haven CT 06510-3326

2008 1-17

I was told today that an anonymous source provided this shocking information about Eric Holder to personnel  
[http://beforeitsnews.com/bottom\\_float/print\\_story.html](http://beforeitsnews.com/bottom_float/print_story.html)





## 18 U.S. Code § 4 - Misprision of felony

Current through Pub. L. 114-38 (<http://www.gpo.gov/fdsys/pkg/PLAW-114publ38/html/PLAW-114publ38.htm>). (See Public Laws for the current Congress (<http://thomas.loc.gov/home/LegislativeData.php?n=PublicLaws>).)

US Code (/uscode/text/18/4?qt-us\_code\_temp\_noupdates=0#qt-us\_code\_temp\_noupdates)

Notes (/uscode/text/18/4?qt-us\_code\_temp\_noupdates=1#qt-us\_code\_temp\_noupdates)

prev (/uscode/text/18/3) | next (/uscode/text/18/5)

Whoever, having knowledge of the actual commission of a felony cognizable by a court of the United States, conceals and does not as soon as possible make known the same to some judge or other person in civil or military authority under the United States, shall be fined under this title or imprisoned not more than three years, or both.

## 18 U.S. Code § 371 - Conspiracy to commit offense or to defraud United States

Current through Pub. L. 114-38 (<http://www.gpo.gov/fdsys/pkg/PLAW-114publ38/html/PLAW-114publ38.htm>). (See Public Laws for the current Congress (<http://thomas.loc.gov/home/LegislativeData.php?n=PublicLaws>).)

US Code (/uscode/text/18/371?qt-us\_code\_temp\_noupdates=0#qt-us\_code\_temp\_noupdates)

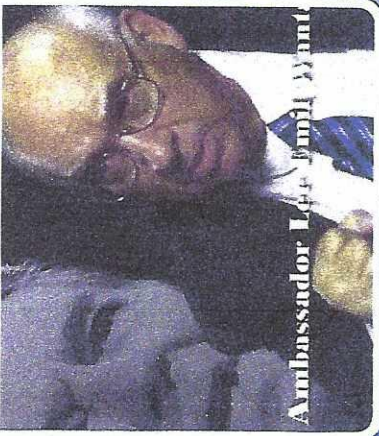
Notes (/uscode/text/18/371?qt-us\_code\_temp\_noupdates=1#qt-us\_code\_temp\_noupdates)

prev (/uscode/text/18/351) | next (/uscode/text/18/372)

If two or more persons conspire either to commit any offense against the United States, or to defraud the United States, or any agency thereof in any manner or for any purpose, and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined under this title or imprisoned not more than five years, or both.

If, however, the offense, the commission of which is the object of the conspiracy, is a misdemeanor only, the punishment for such conspiracy shall not exceed the maximum punishment provided for such misdemeanor.





can

W

tal.com



EAGLE ONE

TO WANTA™



## Statement Concerning Russia and the USA

How many of you remember the SOVIET UNION? How many remember the COLD WAR? Well, do you remember RONALD REAGAN? During the Reagan administration he hired a special private agent named Lee Wanta and gave him billions of dollars to trade against the Russian Rubble to bankrupt the Soviet Union and it worked. Then they offered Gorbachev \$10 Billion dollars to step down and they then were instrumental in forming the Russian Federation. Lee Wanta is also Ambassador Wanta and is still under a mandate to the United States of America. He generated \$27.5 Trillion dollars which was to be shared between the US and the new Russian Federation. He was going to pay taxes of over \$4 trillion dollars to the USA for INFRASTRUCTURE and to build a nationwide HIGH SPEED RAIL system like they have in China so we could have an alternative to travel by car and airplane/jet. He was in Switzerland when Vince Foster met him to receive \$250 Million for the Children's fund. Vince Foster received the money in the form of US Treasuries. He flew to the USA and suddenly was murdered, the Clintons must have had it done and took the money. At the same time Ambassador Wanta was imprisoned falsely for a fake claim he owed taxes in Wisconsin. After 23 years Ambassador Wanta is out, but yet the GLOBALISTS have kept the funds from being released, even though he has the codes. A Federal Court has issued an order for the funds to be released but still the Powers of the Elite keep it blocked. THE REASON THEY ARE TRYING TO MAKE RUSSIA A BAD SITUATION IS THAT THE TREATY WE HAVE WITH THEM AND THE RELEASE OF THIS NOW \$32.5 TRILLION DOLLARS WILL MAKE THE USA AND RUSSIA AT PEACE. All Senators and Congressmen know about this and the Bush/Clinton/Obama CABAL have been stubbornly holding these funds meant for the American People. The national debt is a fraud, it is only because they still block the release of the funds through the FEDERAL RESERVE. To learn more watch the video at the link above. THE RUSSIAN - TRUMP STORY IS MADE UP TO COVER THE REAL TRUTH ABOUT RUSSIA.



**From :** Ambassador Leo E Wanta <somam@prodigy.net>  
**Sent :** Friday, May 27, 2005 4:00 PM  
**To :** "Messr David Rexrode, RNC Directeur" <ecampaign@gop.com>, diplomat\_switzerland@msn.com  
**Subject :** White House Incident - Reagan Administration

**CONFIRMING**  
**LEO-EMIL-WANTA**

US\_Dept\_Treasury\_US\_DistCourt\_Israeli\_Rabin\_email.efx (0.12 MB),  
@ Attachment : EIR\_1\_SovietKGBOfficersinControl\_USA\_Europa\_email.tif (0.69 MB), EIR\_2\_FinancialScandal\_email.tif (0.80 MB),  
EIR\_3\_IMFSpringMeeting\_email.tif (0.60 MB), EIR\_4\_EuropaUSSRControl\_email.tif (0.93 MB),  
USGovn\_DCIWilliamJCasey\_L\_ambassadeurWanta..efx (0.08 MB)

**Point of Information \_ Just how long will American Public Policy and Rule of Law be totally ignored \_ " by others" \_ i.e., on a certain Friday the 13th, an assassination attempt on US President Ronald Wilson Reagan was FOILED by INTEL operative Leo Wanta, US Department of the Treasury, S-31-IANO, Sector V \_ New Orleans Internal Affairs ... a.k.a. (1) Frank B Ingram, SA32NV \_ and (2) Rick Reynolds, SA233MS //// This INTEL was immediately [via INTEL telefon / telefax] forwarded to : United States Secret Service Agent, Glenn Speedy - Nashville \_ and \_ Regional Special Agent / RAC, William Lecates - Nashville, US Customs Service >>>> and <<<<< Our US President R W Reagan was immediately taken out of the White House \_ and \_ numerous arrests/detentions were activated by US Secret Service Agents, inter alia.... Well !!!!! Need I say more about LAWLESSLY sealed documents and exhibits which would reinstate me forthwith to serve our Great Nation; manipulated " by others for their Private Gain" ?**

<https://vimeo.com/358555549>  
<https://vimeo.com/370672952>  
<http://eagleonetowanta.com>



<https://vimeo.com/383532623/5b524043e9>

2008 1-17

Knights of Columbus  
Supreme Council Office  
1 Columbus Plaza  
New Haven CT 06510-3326

# ANTHEM

New Republic/USA Financial Group, GES.m.b.H  
Kartnerstrabe 28/15 Telefon: 513.4235  
A - 1010 Wien, Austria-Europe

<http://by106fd.bay106.hotmail.msn.com/cgi-bin/getmsg?curmbox=00000000%2d0000%2d0...> 5/27/05



TO: - OFFICE OF THE PRESIDENT - THE WHITE HOUSE - 07JUN11

SIMPLE QUESTION : AS THE SOLE PRINCIPAL OF UNITED NATIONS - CONTRACT No. 4 - USDollars FIVE (5) TRILLION OF CREDIT-WORTHY FINANCIAL INSTRUMENTS, WHY WAS I - LEE EMIL WANTA, A PRIVATE AMERICAN CITIZEN, FALSELY ARRESTED IN LAUSANNE, SWITZERLAND - 07JUL93 -, FALSELY IMPRISONED (134 DAYS), DRUGGED, UNLAWFULLY EXTRADITED TO MADISON, WI VIA NYC FOR FAILURE TO PAY A CIVIL TAX ASSESSMENT (UNAUDITED AND UN-AUTHORIZED) BY THE STATE OF WISCONSIN-DEPARTMENT OF REVENUE PER INSTRUCTIONS OF THEN GOVERNOR TOMMY G THOMPSON, SECRETARY MARK BURGER, ET AL. DURING JULY, 1993, I AUTHORIZED USDollars 250 MILLION OF CREDIT SUISSE CREDIT WORTHY FINANCIAL INSTRUMENTS AS REQUESTED BY WHITE HOUSE DEPUTY COUNSEL VINCE FOSTER, IN FAVOR OF THE CHILDREN'S DEFENSE FUND, WSHDC. - AND - FALSELY DETAINED BY SUISSE SURETE BASED ON A TELEPHONE CALL [ NO ARREST WARRANT ] FROM WI DEPT OF JUSTICE AND JUNIOR COLLECTION AGENT FOR FAILURE TO PAY SAID SPURIOUS NON-RESIDENCY ESTIMATE, AS I WAS LEGALLY DOMICILED [TITLE USC 18 SEC 6] IN VIENNA, AUSTRIA AS DIRECTEUR GENERAL, SINCE JUNE 30, 1988.) THE FINDINGS OF FACTS AND CONCLUSIONS OF LAW, IS THAT THIS NON-RESIDENCY CIVIL TAX WAS PAID/CASHED JUNE 3, 1992 [SEE EXHIBIT] BUT NOT STATE POSTED UNTIL NOV. 1995, AFTER NON - JURISDICTIONAL COUNTY TRIAL - MAY, 1995 (SENTENCED 22YEARS).

AFTER US FEDERAL LITIGATION, US DISTRICT COURT CASE No. 02-1363-A AND No. 1:07CV609 T3E/BRP, I AUTHORIZED A CLEAR INWARD REMITTANCE OF USDollars 4.5 TRILLION, PER COURT MEMORANDUM/ORDER TO PAY USDollars 1.575 TRILLION IN US TAXES (35%). SO WHY NOW, DOES THE OFFICE OF THE PRESIDENT REFUSE TO LAWFULLY ALLOW ME TO PAY SAID FEDERAL COURT ORDERS, TO PROTECT OUR GREAT NATION - AMERICA, WHEN IN FACT IN 1993, THE FALSELY ALLEGED/BOGUS CIVIL TAX ESTIMATE / ASSESSMENT OF USDollars 14,129.00 WAS EXTREMELY VITAL.

# ANTHEM

New Republic/USA Financial Group, GES.m.b.H  
Kartnerstrabe 28/15 Telefon: 513.4235  
A - 1010 Wien, Austria-Europe





# TRINITY COUNCIL UNION

Our Lady of Lourdes Intercede for us

Ave Maria Ave M

BACHMAN, CUMMINGS, MCKENZIE, HEBBE, MCINTYRE & WILSON, S.C.		6992.
ATTORNEYS AT LAW TRUST ACCOUNT 31 E. FRANKLIN ST., P.O. BOX 1155 APPLETON, WI 54912		
PAY TO THE ORDER OF Wisconsin Department of Revenue		JUNE 3 19 92
Fourteen Thousand One Hundred Twenty-nine and 00/100		\$14,129.00
		DOLLARS
FUND OFFERED IN COMPROMISE FOR Len E. Santa, SS 4396-34-6726		
BANK ONE ONE ONE EPPLETON, WI Appleton, WI 54912		
POC6992P NO75900834C POC6519679P 00001412900		

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE  
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STATE TREASURY OF WIS.

OFFICE OF THE COMPTROLLER

STATE OF WISCONSIN

APPROVED FOR DEPOSIT

DATE 06/24/92

PAID 000000012703

007 0001033 6249244930 \$14129.00

06-24-92

# ANTHEM

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12/23/2018

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