

EXHIBITS

A-3 to Z-3

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When will you be arriving?
 Aug 11 2007

When will you be departing?
 Aug 12 2007

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08-02-2006, 12:34 PM

#1

ozarkman

Living the Dream!



Join Date: Mar 2001
Location: Branson
Posts: 81

Skyscraper in Branson?

It is my opinion that HCW Development Company is getting out of hand. They are the masterminds behind Branson Landing and the soon to come Branson Hills. Now they want to build a skyscraper? I think this may be a very bad thing for Branson. Here is the article that was in the paper this morning:

By Cliff Sain
BDN Staff Writer
csain@bransondailynews.com

A new Branson development could turn out to be the tallest building in southern Missouri.

HCW Development Company, of Branson, and Evergreen Investments,

D.H. Exhibit # 9

Public Campaign Action Fund

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Citizen

FEDERAL ELECTION COMMISSION
U.S. DEPARTMENT OF JUSTICE

PUBLIC
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ACTION FUND

FANNIE
MOU
HAMER
PROJECT

January 15, 2004

The Honorable James Comey
Deputy Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Dear Mr. Comey

We are writing to formally request that the U.S. Department of Justice appoint an outside special counsel to investigate potential criminal actions involving United States Attorney General John D. Ashcroft, his 2000 Senate campaign committee (Ashcroft 2000), and his leadership PAC (Spirit of America). These actions, outlined in this letter based on newly-released documents from the Federal Election Commission (FEC), raise serious questions about the integrity of the Office of the Attorney General. They demand a thorough and impartial criminal investigation by an outside special counsel to ensure that any violations of the law be prosecuted to the fullest extent, including any violations committed by the nation's chief law enforcement officer.

Specifically, the FEC documents present clear and convincing evidence that Attorney General Ashcroft knowingly accepted, during his 2000 Senate re-election campaign, a fundraising mailing list, developed at a cost of \$1.7 million, constituting an illegal, excessive campaign contribution of at least \$255,000, in violation of 2 U.S.C. § 441a(f); that his leadership PAC illegally funneled \$192,965 in rental income derived from that mailing list to his campaign committee, in contravention of 2 U.S.C. § 441a(a)(2)(A); that his campaign committee derived an additional \$61,955 in illegal, excessive campaign contributions by using the mailing list to solicit other contributions, in violation of 2 U.S.C. § 441a(f); that his leadership PAC and campaign committee failed to disclose the transfer of the mailing list as a campaign

<http://www.pcactionfund.org/stepasideashcroft/letter01-15-04.htm>

9/23 2004

EXHIBIT B-3

contribution, in violation of 2 U.S.C. §§ 434 (a)-(b), that he committed a felonious act of criminal conspiracy by conspiring -- along with his leadership PAC and his campaign committee -- to defraud the government of the United States by disrupting and impeding its agent, the FEC, from carrying out its statutorily prescribed duties to enforce campaign financing and disclosure laws and to provide the public with accurate information regarding the source and use of contributions to federal candidates, in violation of 18 U.S.C. § 371, and that he filed false statements with the FEC, thereby committing a felony violation of 18 U.S.C. § 1001.

In the alternative, if the Department of Justice finds that Mr. Ashcroft did in fact take ownership of the mailing list through private agreements with his leadership PAC on July 17, 1998, and with his campaign committee on January 1, 1999, then the facts demonstrate that Mr. Ashcroft failed to disclose the mailing list as an asset in his United States Senate Public Financial Disclosure Reports for 1998 and 1999, in violation of 5 U.S.C. Appx. § 101 et seq., of the Ethics in Government Act, and the facts present probable cause to suspect that he also failed to disclose this asset in his 2000 Senate Termination Report (in violation of 5 U.S.C. Appx. § 101 et seq.) and in his Executive Branch Personnel Public Financial Disclosure Reports for 2001, 2002, and 2003, as the sitting United States Attorney General, in violation of 5 U.S.C. Appx. § 101 et seq. Moreover, this knowing and willful omission of such a substantial asset on his Senate and Executive Branch disclosure forms presents probable cause to suspect that Attorney General Ashcroft similarly failed to disclose income earned from said asset on his income tax returns filed with the Internal Revenue Service (IRS), in contravention of applicable laws against tax evasion.

As you are no doubt aware, the aforementioned felonies and misdemeanors carry penalties including fines in excess of the \$37,000 civil fine already levied by the FEC against Mr. Ashcroft's leadership PAC and campaign committee, and imprisonment on the felony conspiracy and false statement counts of up to five (5) years.

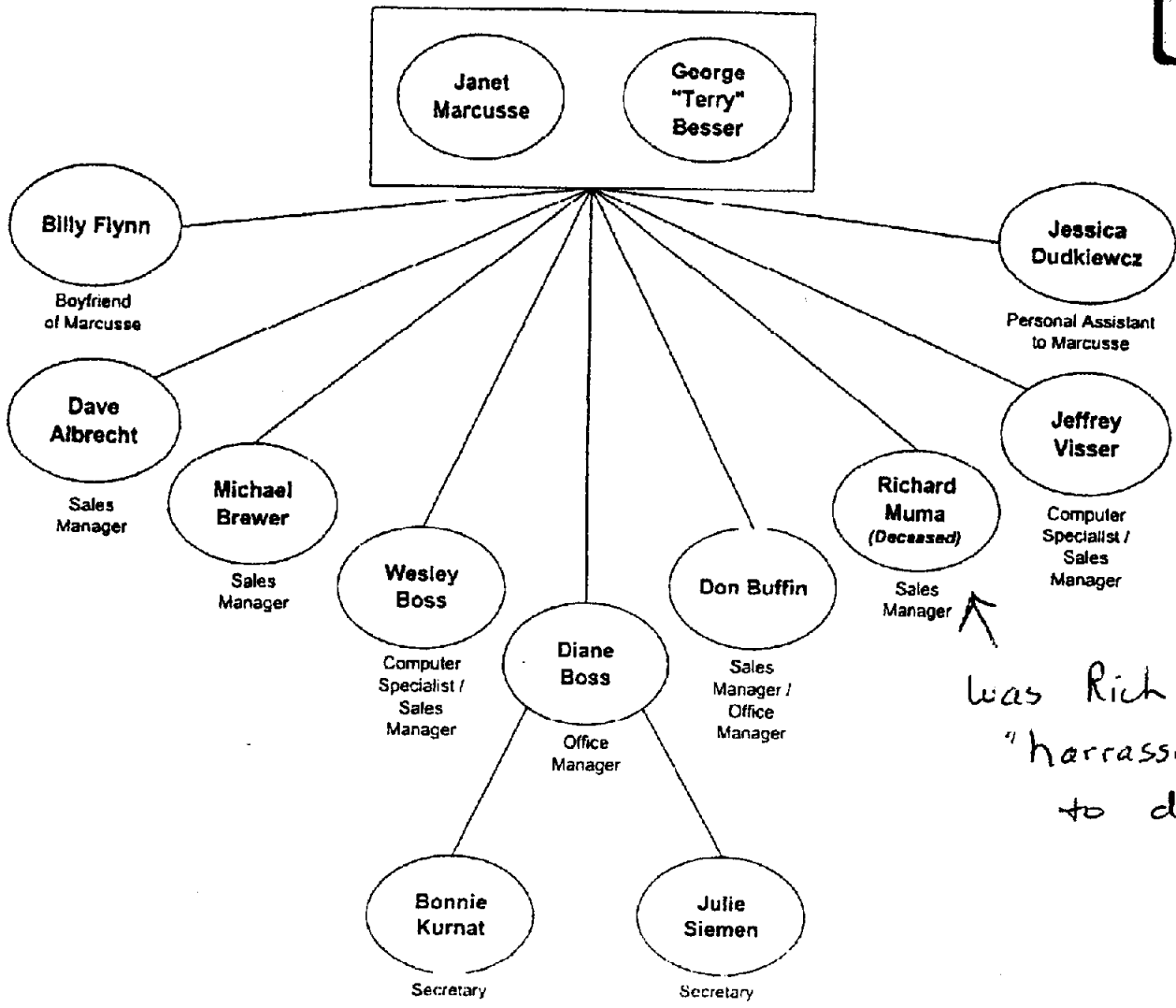
You are no doubt also aware of the appearance of impropriety that would arise if, in light of the facts laid out in the FEC General Counsel's Brief, the Department of Justice either were to refuse to investigate evidence of felonies and misdemeanors committed by the Attorney General, his former campaign committee, and his leadership PAC, or were to allow the Attorney General to investigate himself and his campaign officials. In order to avoid such appearance of impropriety, and to ensure that the Department of Justice demonstrates credibility and integrity in its enforcement of the nation's campaign finance laws, we urge you to immediately appoint an outside special counsel to investigate these matters.

I. Felonies and Misdemeanors Committed By Attorney General Ashcroft, His Leadership PAC, and His Campaign Committee in Violation of Federal Campaign Finance Law

A. Attorney General Ashcroft Knowingly Accepted Illegal Campaign Contributions

Access Financial / Sanctuary Ministries Organizational Chart

GOVERNMENT
EXHIBIT
44



was Rich
"harrassed"
to death?

where is Tom
Wilkinson?

Declaration of Cheryl Lynn Gardner

I, the undersigned Affiant Cheryl Lynn Gardner, attest that the following statements regarding the assault on Jan Marcusse at the Newaygo County Jail in White Cloud, Michigan on July 24, 2004, are true and accurate to the best of my recollection:

1. I received a copy of the letter that the Jail Administrator Roger M. Palmiter wrote to Chris Milson in response to a Complaint filed at the Newaygo Jail by Pastor Wygmans regarding the treatment of Jan Marcusse and an assault upon her person.
2. Roger M. Palmiter's letter contains statements that are completely false.
3. I am Cheryl Lynn Gardner, a/k/a Summer Breeze.
4. I, Cheryl Lynn Gardner, was a cell mate with Jan Marcusse in the facility at Newaygo county Jail from July 21, 2004 until July 27, 2004.
5. I, Cheryl Lynn Gardner, believe Jan Marcusse is currently a "hostage"(a person detained against their will and under duress is anything but a 'resident') at the Newaygo Jail facility as of this date September 18, 2004.
6. The Newaygo County Jail is located at 300 Williams, P.O. Box 845, White Cloud, MI [49349].
7. I, Cheryl Lynn Gardner, witnessed the assault and consequent treatment of Jan Marcusse in cell B-2 of the Newaygo county Jail in White Cloud, Michigan.
8. The person who attacked Jan Marcusse is Michelle McDaniel. (At the time of the attack, I only knew her as Michelle. The last name was later provided for me by sources outside the Newaygo Jail facility.)
9. The assault on Jan Marcusse by Michelle McDaniel occurred on Saturday, July 24, 2004 in the morning hours.
10. I, Cheryl Lynn Gardner, was also injured during the attack on Jan Marcusse as I, Cheryl Lynn Gardner, attempted to protect Jan Marcusse from further harm by helping Jan Marcusse get up from the floor and to move away from Michelle McDaniel, the woman attacking Jan Marcusse.
11. I, Cheryl Lynn Gardner, intended to be a wall between the two women, Jan Marcusse and Michelle McDaniel, so no further injury would occur on Jan Marcusse and to assist Jan Marcusse in getting help from the Commanding Officer or Officers on duty. The situation was precarious, to say the least, and I, Cheryl Lynn Gardner, felt extremely threatened and in danger for my safety, for Jan Marcusse's safety and for Maria Aguayo's safety.

Declaration of Cheryl Lynn Gardner

38. For the record, I, Cheryl Lynn Gardner, was arrested for peaceable assembly on National Forest Lands without a permit issued by the Forest Service. It was a criminal misdemeanor of USFS regulation 36 CFR 261.10(k). The assembly was an annual event where people gather to pray for world peace.
39. When neither Tisha nor Michelle McDaniel would respond to Jan Marcusse's repeated requests to turn down the television volume, Jan Marcusse stood up from the picnic table where I, Cheryl Lynn Gardner was sitting next to her on right and Michelle McDaniel was standing on her left.
40. Jan Marcusse picked up the remote and attempted to turn down the volume.
41. Michelle McDaniel grabbed for the remote to remove it from Jan Marcusse's hands yelling at Jan Marcusse.
42. Then, Michelle McDaniel, grabbed Jan Marcusse by the throat picking her entire body up lifting Jan Marcusse's feet from the floor and Michelle McDaniel then threw Jan Marcusse to the floor. As this was happening, I, Cheryl Lynn Gardner, got up from my seat with one intention, to move Jan Marcusse out of danger.
43. Some more tussling and rolling about with Michelle McDaniel hitting and pulling and pushing Jan Marcusse, and Jan Marcusse pulling and pushing back attempting to get up from the floor. It was at this point that I, Cheryl Lynn Gardner, had one thought focused in my mind, to help Jan Marcusse get up and out of the way.
44. The next thing that I, Cheryl Lynn Gardner remember, is that both Jan Marcusse and myself were over by the door calling for the Commanding Officers to come to our aid.
45. Both this "Declaration of Cheryl Lynn Gardner" and Cheryl Lynn Gardner's Letter to the Jail Administrator, Roger M. Palmiter, are being posted on the internet and being mailed to various other interested parties as evidence.
46. I, Cheryl Lynn Gardner, wrote a letter to Roger M. Palmiter, Jail Administrator, to suggest that Roger Palmiter write a rebuttal of the false statements, for the record, along with an apology to Jan Marcusse, to Chris Milson, to Pastor Wygmans and to Cheryl Lynn Gardner.
47. Remarks that need corrected in Mr. Roger Palmiter's letter are as follows:
"Corp. Beagle stated there were no visible signs of an assault or injury."
48. Jan Marcusse clearly had red marks and some bruising already visible on her neck where Michelle McDaniel grabbed her with a choke hold and body slammed her to the floor. This bruising and redness showed up within minutes and worsened somewhat throughout the day. Jan Marcusse developed other bruising on her hip, back and leg throughout that same day and the day following. Jan Marcusse was in pain for days. Jan Marcusse requested an aspirin for pain from the nurse, but Jan Marcusse did not receive any medical attention. I, Cheryl Lynn Gardner, personally gave Jan Marcusse two of my Tylenol because she was in so much pain

Exhibit E

If you encounter

*any of the following, Call the
Joint Terrorism Task Force*



Federal Bureau of Investigation
201 East Indianola Avenue
Phoenix, Arizona 85012

In the event questionable activity is encountered, contact the individuals named in this brochure for clarification.

Domestic terrorism is defined as: Groups or individuals operating entirely inside the U.S. attempting to influence the U.S. government or population to effect political or social change by engaging in criminal activity.

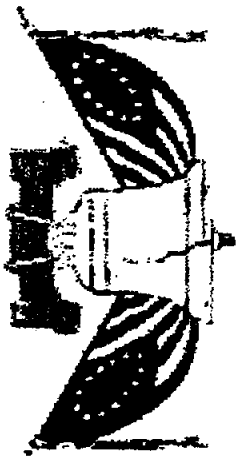
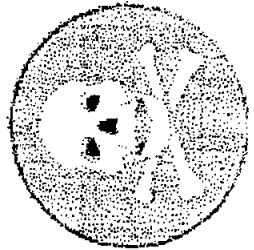
In this regard, the purpose of this information sheet is to assist uniformed patrol officers in identifying potential domestic terrorism.

The FBI's Joint Terrorism Task Force is attempting to identify criminal activities with domestic terrorism.



- Single Issue Terrorists**
- Targeting of law enforcement and emergency personnel
 - Animal Rights
 - Eco-terrorism
 - Violent anti-abortion extremism
 - Urban riot agitators
 - Cyber penetration
 - Non-Aligned Terrorists
 - Doomsday/Cult-Type Group
 - Insurgents/Rebels
 - Lone Individuals

- Weapons of Mass Destruction**
- Nuclear
 - Chemical
 - Biological



Common Law Movement Proponents

- Fictitious license plates
- No license plates
- Fictitious drivers license
- No drivers license
- Refuse to identify themselves
- Request authority for stop
- Make numerous references to US Constitution
- Claim driving is a right, not a privilege
- Attempt to "police the police"

Left-Wing Terrorists

- Political motivation is usually Marxist/Leninist philosophy



- Right-Wing Extremists**
- "defenders" of US Constitution against federal government and the UN (Super Patriots)
 - Groups of individuals engaged in para-military training



- Extremist Groups**
- Skinheads, Nazis, Neo-Nazis (usually recognized by tattoos)
 - Black Separatists
 - KKK
 - Christian Identity
 - White Nationalists



The Branson



A Combination Of The Branson Beacon, White River Leader, The Southwest Missourian & The Oldes

Indian group unveils plans

Protestors want peace, tranquility

By Maraha Paxson
BDN Staff Writer

KIMBERLING CITY — "And all ads lead to 'Showcase.'"

That was a statement protesters of showcase-Branson Project never heard developer Michael Carney say. All but a few opponents were denied access to a press conference held Wednesday at the Kimberling City Inn.

Residents close to the proposed 600-acre theme park/convention complex said they've invested their retirement savings and dreams in homes along the scenic highway and want their tranquility left intact.

Nearly 30 protesters carried picket signs denouncing the project and were angry most of them were denied access to the meeting's information about the partnership between MLC Developments, International, Inc. and the Lac Vieux Desert Band of Lake Superior Chippewa Indians of Michigan (LVD).

David Trowbridge, a resident who carried a cardboard sign, said the meeting prohibited a healthy exchange of dialogue about concerns.

"We just want to know what's



Stone County residents picket Wednesday in protest of a proposed theme park to be built along DD Highway Branson West and Kimberling City.

BDN photo by Mar

going on, Trowbridge said. "We have to rely on (reporters) to get accurate information back to us."

MLC partners, Michael Carney, Robert W. Plaster, and Glenna E. Merritt brought LVD representatives to Stone County to meet local officials and unveil project plans.

Protestors like Kathy Clark said there are few answers being given to the people most affected by the pro-

ject — people who live on the DD peninsula and travel the two-lane Highways of 13 and DD to get to and from home.

"What will this do to our water table, the environment and the beauty we enjoy?" Clark asked.

Kenneth M. Heithaus, President of the Springfield HEI firm, was hired to conduct impact studies on the property. He said preliminary work

is being completed at this time is too soon to offer comments.

As far as economic impact, SCB expects to create 2,000 jobs and more than 3 million annually.

SCB Attorney Dan Evans said the park will be accessed by a road that must be created.

See Protestors p

Ozarks

THURSDAY,
June 10, 1999
News-Leader
Questions? Story
Ideas? Call our Help
Desk at 836-1199.

PAGE
1B

Center at lake protested

Environmental impact of a 70,000-seat arena in a residential area on two-lane Stone County DD. With emotions running high, they chanted: "Money isn't everything. Pollution lasts forever."

Said Kathy Clark, one protester who lives near the proposed development: "The biggest threat is that the old businesses will have to compete with a tax-exempt development."

The protesters were not allowed inside the Kimberling

Inn, where about 100 invited area residents and business owners enjoyed a large buffet.

One of the guests, Kelby Ayres, a Branson West business owner, said he hopes a rift does not develop between Stone County residents over the project. "I think it's too early to have an opinion," he said.

Progress, he added, "is like a steamroller coming down the pike. You either get run over or you try to climb on and grab the

wheel."

Once a pending land purchase is concluded, the convention center and American Indian-themed amusement park would be built on 1,000 acres on Table Rock Lake owned by Springfield businessman Robert Plaster, said Dan Evans, the project's attorney.

Although the tribe will apply for reservation status, which would make the land exempt from property taxes, tribe mem-

bers say they will reimburse the county for those taxes and would collect state sales tax from nontribal visitors.

The convention center could be completed as soon as 2001. Evans declined to put a price tag on the project.

Evans said the development will have no negative impact on the land. "Native Americans were the original stewards of this earth," he said. "(Infrastructure) will be state of the art."

enya's roofs



Christina Dickan / News-Leader
ala, 7, (left) Nisha, 12, and Dolly, 10 (right), Wednesday before she
usks to lead on all female Habitat for Humanity building team



Cheryl Blehm
Dean Blehm is seen in this family snapshot holding great-grandsons Mitchell (left) and Wade Blehm.

'It's a nightmare': Family struggles to understand

The children of Dean Blehm have no idea why Blehm's wife would kill him.

By Laura Bauer Manner
News-Leader

Permanent Residence of Chris ██████████ and Janet Marcusse



OUR TRAILER AT ██████████

JAN MARCUSSE AND I LIVED HERE FOR OVER A YEAR AND THIS WAS OUR PERMANENT RESIDENCE UNTIL JAN WAS PICKED UP BY JOHN R. SMITH FROM THE SPRINGFIELD FBI OFFICE ON JULY 1, 2004.

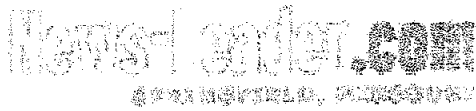
IT HAS BEEN REPORTED THAT JAN WAS NOT ON RECORD WITH THE ██████████ POST OFFICE AS TO HAVING A PERMANENT ADDRESS HERE. JAN DID RECEIVE MAIL HERE HOWEVER SHE DID NOT NEED TO RECEIVE MUCH MAIL AS THE LAND, HOME AND BILLS WERE IN MY NAME.

DUE TO THE MANY DEATH THREATS SHE RECEIVED, I ADVISED HER THAT NO ONE, INCLUDING HER FRIENDS, WOULD KNOW WHERE SHE LIVED UNTIL I WAS CERTAIN HER LIFE WAS NO LONGER IN DANGER. I LOVE HER VERY MUCH AND PROTECTING HER LIFE WAS MY MAIN PRIORITY.

I declare under the penalties of perjury that the above statements are true.

Affirmed: Chris ██████████
Chris ██████████, *suae potestate esse*

10/5/04
Date



October 28, 2007

Plaster's accomplishments, adversity

From working at an early age to later legal battles, entrepreneur's life has been eventful.

*Maudie Lawson
News-Leader*

Robert Plaster was born on Sept. 3, 1930, and lost his father at a young age. He began working at age 10.

After attending college at Missouri Southern, then called Joplin Junior College, he worked in Neosho for an automobile and farm equipment distributor for a few years. He joined the U.S. Treasury Department in the early 1950s.

Plaster served as an IRS field agent for four years before going to work in Lebanon for a propane company. He worked for that company for six years before founding Empire Gas Corporation in 1963 with \$25,000 of his own money and \$2.5 million in loans from the University of Chicago, the First National Bank of Chicago and Bacon, Whipple and Company, a Chicago investment banking firm.

Plaster built Empire Gas into one of the nation's largest propane distributors.

In the 1970s, the U.S. Justice Department accused Empire of using predatory practices, threatening competitors and price-fixing to acquire monopoly control of the propane market. After a long legal battle, Empire was acquitted of antitrust violations.

In another case in the early '70s, the Justice Department accused Plaster, Empire Gas and another man of hiring two men to use a 10-stick dynamite bomb to blow up a competitor's tank truck. Plaster and the other man were found not guilty after a three-week trial. Plaster was represented by well-known attorney F. Lee Bailey.

Evergreen

In 1991, Plaster and Evergreen National Corporation built Evergreen Crystal Palace, a 28,000-square-foot green-glass and marble structure on a bluff over Table Rock Lake. The Stone County Assessor said in 1991 that construction cost for the building was \$6 million and the value of the approximately 400 acres of Plaster's land nearby was \$750,000.

Although sources originally reported the mansion would be used as Plaster's home and Evergreen corporate retreat, an attorney for Evergreen issued a press release stating the building was a corporate facility.

In early 1996, Plaster sold Empire Gas to his son, Steve, and other Empire managers. Later that year the company was sold to Northwestern Public Service Co., based in Huron, S.D. Northwestern bought Empire Gas for \$120 million and formed Cornerstone Propane Partners.

In 1984, Robert Plaster donated \$250,000 to Southwest Baptist University in Bolivar for a sports complex. The university named its football field Robert W. Plaster Stadium.

EXHIBIT H-3

8/2/2009 5:40 PM

In 1986, Robert Plaster donated \$2.5 million to College of the Ozarks for the Robert W. Plaster School of Business Building.

In 1988, Robert Plaster incorporated the Village of Twin Bridges – renamed Evergreen in 2002 -- on his land in southern Laclede County.

Donations

Robert Plaster donated \$350,000 to Neosho's Crowder College in 1990. The school's community center is named for his mother, Elsie Plaster.

In 1991, Robert Plaster made a reported \$1.5 million donation to Southwest Missouri State University for a stadium expansion, resulting in the controversial renaming of Briggs Stadium to Robert W. Plaster Sports Complex.

In March 1997, Robert Plaster was elected president of the Southwest Missouri State University's Foundation Board of Directors.

In 1998, Robert Plaster gave more than \$1 million to the SMS Foundation to renovate and expand the SMS student union, which became known as Robert W. Plaster Student Union.

In 1998, a new three-story building at the intersection of Glenstone Avenue and I-44 was built to house additional offices for the world headquarters for Students In Free Enterprise.

Robert Plaster pledged \$250,000 to support SIFE's growth, and the addition to the SIFE building was named the Robert W. Plaster Free Enterprise Center.

In 1999, Robert Plaster asked the Stone County Planning and Zoning Board to rezone the Evergreen National Corporation properties to allow construction of a convention center complex, with plans to apply for Native American Reservation status for the property. The request was denied.

Problems

In 2003, Robert Plaster tried to incorporate as a village the 400 acres near Missouri DD in Stone County and was denied by the Stone County Commission and eventually the Missouri Court of Appeals Southern District. He had offered a "conceptual presentation" to Stone County Planning and Zoning of a large botanical garden. The plans also included some 1,000 condominium units and other features. *The planning and zoning board deemed it unsuitable for the DD peninsula.*

In 2004, at the groundbreaking for Branson Landing, Robert Plaster announced he had entered a partnership with landing developers HCW Development Co. to build the convention center hotel.

In November 2004, a lawsuit was filed in Laclede County on behalf of Orla Holman Cemetery Inc., against Plaster's son, Stephen R. Plaster, and Rick Brown, trustees for the village of Evergreen. Members of the Orla Holman Cemetery Association complained to the Laclede County Commission about a locked gate limiting access to the cemetery. Eventually Orla members were allowed to enter *during daylight hours only, according to a sign on the property.*

In 2005, Robert Plaster was called to testify in a federal mail fraud and money laundering trial against Access Financial Group, headed by Jan Marcusse. Marcusse and others were under indictment by the federal government based on accusations of a Ponzi scheme that allegedly offered high return rates, as well as the movement of money to Nigeria and a bank in the Bahamas and then back again into the U.S. to avoid taxes. Michael Carney had become involved with Marcusse and Plaster was paid \$1 million as a deposit on the Stone County land Carney was trying to buy for development. Carney was also responsible for a trip that Robert Plaster took to Wisconsin to meet with Richard Williams, then *the tribal leader of the Lac Vieux Desert Band of Lake Superior Chippewa tribe.*

Robert Plaster's wealth and reputation were used to promote the failed Carney development.

Branson Hills

In January 2006, construction began on Branson Hills, the largest planned residential community ever built in Branson. Robert Plaster partnered with HCW LLC, made up of Rick Huffman and his partners Marc Williams and Sam Catanese; and Mark Elgin, owner of Stonegate Realty in Birmingham, Ala.

In August 2006, Huffman of HCW Development Co. announced another project with Robert Plaster: a 25-story hotel complex atop one of the highest locations in Branson. The project is estimated to cost \$100 million.

The top two floors are to house a two-story, glass-fronted restaurant with water jets by Wet Design shooting over the heads of diners.

The ground floor is to feature retail boutiques and a display of Robert Plaster's extensive classic car collection never seen by the public.

The building would be the tallest in Missouri south of Kansas City and St. Louis, Huffman said. Hammons Tower in Springfield is 22 stories.

**A SAMPLING¹ OF APPROX. 200 CASES WHERE JUDGE BELL PRESIDED
DISCOVERED THAT:**

I. 13 cases involved "Conspiracy to Defraud the United States". Those cases are:

1. Dunn_195_cr_00150_RHB_4
2. Garthe_199_cr_00047_RHB_4
3. Kaczor_199_cr_00047_RHB_3
4. Kent_199_cr_00217_RHB_1
5. Valentine_199_cr_00047_RHB_6
6. Deboer_104_cr_00165_RHB_6
7. Garthe_101_cr_00074_RHB_1
8. Gezon_101_cr_00149_RHB_1
9. Kaczor_102_cr_00147_RHB_6
10. Kaczor_103_cr_00212_RHB_1
11. Kaczor_104_cr_00075_RHB
12. Kent_101_cr_00175_RHB_7
13. Valentine_102_cr_00147_RHB_3

II. 8 cases involved issues of competency. Those cases are:

1. Garthe_102_cr_00147_RHB_9_DEFRAUD_US
2. Kaczor_103_cr_00212_RHB_1_DEFRAUD_US
3. Kent_101_cr_00175_RHB_7_DEFRAUD_US
4. Kent_101_cr_00175_RHB_10_DEFRAUD_US
5. Valentine_101_cr_00175_RHB_2_DEFRAUD_US
6. Valentine_102_cr_00147_RHB_3_DEFRAUD_US
7. Dunn_102_cr_00038_RHB_1_DRUGS
8. Kaczor_193_cr_00143_RHB_1_THREATS_INCOMP

- a. 6 out of the 8 cases above involved "Conspiracy to Defraud the United States" and all included females that were later found to be competent to stand trial.
- b. All 6 cases involved women who were later deemed competent.

The two cases not involving "Defrauding US":

1. One male defendant put in a motion for insanity and went to trial.
2. One male defendant was found not competent to stand trial and had his case dismissed.

¹ Sampling was taken from cases where the defense lawyers involved with Marcusse, et al had cases before Judge Bell approximately between 1993 and 2005.

[<<Back](#)



Woman allegedly connected to Ponzi scheme is competent to stand trial

(February 23, 2005, 11:58 a.m.) A West Michigan woman, accused of bilking millions of dollars from investors, has been found competent to stand trial.

Janet Marcusse is charged with fraud in connection with the alleged Ponzi scheme involving a company called *Access Financial Group*.

During an earlier hearing when Marcusse was representing herself, reportedly had to be removed from the court after an outbreak.

At least seven other people have been charged in the crime. They each face 39 counts of mail fraud and one count of conspiracy to commit mail fraud.

Court documents claim the group used investors' money to buy airplanes, vacation property and open bars in Wisconsin.

Got Stuff Sell it.



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Trial ordered in scam; [1 And 2 And 3 Edition 1]

Press Wire and Local Reports. The Grand Rapids Press. Grand Rapids, Mich.: Feb 24, 2005. pg. B.1

Abstract (Document Summary)

A woman charged with running a \$20 million swindle is competent to stand trial, a judge said Wednesday.

Full Text (76 words)

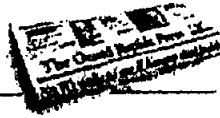
Copyright Grand Rapids Press Feb 24, 2005

GRAND RAPIDS -- A woman charged with running a \$20 million swindle is competent to stand trial, a judge said Wednesday. Janet Marcusse didn't cooperate with a psychologist's evaluation. But U.S. Magistrate Judge Ellen Carmody said Marcusse shows no sign of mental problems. Authorities named her as the leader of Access Financial Group, which they say hooked investors by offering large, tax-free returns. Carmody urged Marcusse not to act as her own lawyer during April's trial.

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People: Marcusse, Janet
Section: City & Region
Text Word Count 76
Document URL:

The Grand Rapids Press



Judges face risk with aplomb ; Chicago slayings amplified by rarity, local jurists say -- but precautions are wise, too; [All Editions]

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Abstract (Document Summary)

Once the target of a prison inmate's death plot, Kent County Circuit Judge Dennis Leiber can only imagine the terror of a federal judge whose husband and mother were slain in her Chicago house.

Judges said the news has been amplified because such killings are so rare. One Kent County judge was killed in her chambers, but the slaying was not related to a case. In 1989, Grand Rapids District Judge Carol Irons was shot by her estranged husband, off-duty policeman Clarence Ratliff.

On the bench, Kent County Circuit Judge Donald Johnston has little concern.

Full Text (743 words)

Copyright Grand Rapids Press Mar 5, 2005

GRAND RAPIDS -- Once the target of a prison inmate's death plot, Kent County Circuit Judge Dennis Leiber can only imagine the terror of a federal judge whose husband and mother were slain in her Chicago house.

Leiber said he cannot dwell on dangers, even as he weighs decisions about a person's liberty.

"In a very real sense, we're in God's hands," Leiber said. "You do the best you can, recognizing our job has a dangerous aspect to it -- but no more so than the law-enforcement officer who has a family who loves them."

The killings of Michael Lefkow, 64, and Donna Humphrey, 89, stunned area judges. They said they take reasonable precautions but live without looking over their shoulders.

Many say they have received threats, and in a free society, bad things can happen to anyone. Still, no one wanted to think family members could be harmed because of their jobs.

"This is how people in schools feel about Columbine -- it's just sickening to the core," Cascade Township District Judge Sara Smolenski said. "How do you hurt somebody in the worst way but go after their family?"

The judge whose husband and mother were killed, Joan Humphrey Lefkow, is in protective custody with four daughters. Lefkow told the Chicago Tribune: "We all sort of go into this thinking it's a possibility, but you don't think it's going to happen to you because it's so unthinkable."

No one has been declared a suspect in the slayings.

One local example

Judges said the news has been amplified because such killings are so rare. One Kent County judge was killed in her chambers, but the slaying was not related to a case. In 1989, Grand Rapids District Judge Carol Irons was shot by her estranged husband, off-duty policeman Clarence Ratliff.

"We can't let it paralyze us from doing what we have to do, which is calling them the way we see them." Kent County Circuit Judge Dennis Kolenda said.

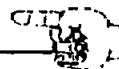
U.S. Chief District Judge Robert Holmes Bell, on the Grand Rapids federal bench for nearly 20 years, has presided over more than 100 cases of a volatile group -- tax rebels, whose refusal to pay often is mixed with anti-government scorn.

"You cannot be intimidated," Bell said. "That's the primary design of a threat."

Bell and his staff keep a picture of any threat suspect, and he has accepted help from law enforcement.

"Police have had vigils to my house several times," Bell said. "Marshals have driven me back and forth to work ... When I'm to give a speech in a public place, frequently a marshal will go with me."

"It all started with these tax protesters. ... They're angry with everyone and everything."



Bell recalled a hearing with a defendant facing trial.

"He looks me in the eye and says, 'It won't be in front of you.' How would you interpret that?" the judge said.

The safe house

Chief Kent County Circuit Judge Paul Sullivan takes practical precautions, but said: "I guess everybody in society is at some risk."

On the bench, Kent County Circuit Judge Donald Johnston has little concern.

Courthouse visitors must pass through metal detectors and X-ray machines. Sheriff's deputies are stationed throughout the 12-story building and monitor courtrooms with remote-controlled cameras.

Once he leaves, Johnston is just like anyone else -- almost. As an elected official, his address and other information is public record. Hate groups had posted the Chicago judge's address and family photos on Web sites.

"It wouldn't take a real genius to figure out where I'm going, if somebody really wanted to do the work," Johnston said.

Johnston said he had "special police assistance" when he conducted a one-man grand jury investigation into Grand Rapids gang wars that included four homicides.

Ottawa County Circuit Judge Edward Post said the "vast majority of people we deal with are compliant, and even respectful ... but you never know who's that one exception. ... If you give respect, they'll give respect. It's when they're humiliated or belittled, people become resentful."

Still, Post said his job hasn't hampered his personal life. He takes photos for the Grand Haven Tribune, has his own studio and shows up at ball games and community events in the Grand Haven area.

"I live like everybody else," he said. "I'm thankful for that. I wonder sometimes what it would be like to be in Colombia."

--Press staff writer Ed White contributed to this story.

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March 1, 2005 -- The husband and mother of a federal judge who was targeted for assassination by World Church of the Creator (WCOTC) chieftain Matthew Hale were murdered inside her Chicago home, two years after white supremacists publicized her home address and photos of her family on the internet.

U.S. District Court Judge Joan Humphrey Lefkow came home from work and discovered the bodies of her husband, Chicago attorney Michael F. Lefkow, 64, and her mother, 89-year-old Donna Grace Humphrey, around 6 p.m. Monday.

The victims reportedly had been murdered execution-style, each shot in the back of the head with a .22-caliber firearm.

"We don't know yet who carried out these grisly executions. But what's clear is that the members of the World Church of the Creator have been involved in a huge amount of criminal violence over the years," said Mark Potok, director of the Southern Poverty Law Center's Intelligence Project.

"Its leader is in prison for soliciting the murder of Judge Lefkow, whose home address was posted by a group member on the Internet. So it is not difficult to surmise that a member or sympathizer of this incredibly violent group might very well have been behind the murders."

Last April, Hale, the so-called "Pontifex Maximus" of the white supremacist hate group, was convicted of asking a member of his group to murder Judge Lefkow. Hale was convicted of solicitation of murder and has been awaiting sentencing since last January. His sentencing is scheduled for April 6.

Judge Lefkow presided over a trademark infringement suit brought in 2000 against the WCOTC by a peaceful religious group that used the same name but had no ties to Hale. Lefkow ordered Hale to stop using its long-time name, and fined his group \$200,000 when it failed to comply.

Hale's arrest on Jan. 8, 2003, for trying to arrange Lefkow's murder came after weeks of furious WCOTC internet attacks on the judge, who was branded a "probable Jew," and a "kike- and nigger-loving" traitor who was trying to destroy the group. A few days later, Judge Lefkow's home address was posted on the white supremacist online bulletin board Aryan Update, which is overseen by infamous white supremacist leader Tom Metzger.

"I am a Creator and we intend to protest rather loudly in front of this Jewess's house in the near future," wrote the anonymous poster, who also provided Michael Lefkow's work address.

Pictures of Lefkow's husband and children also had been posted earlier by WCOTC member Craig Cobb of West Virginia, on Stormfront, a white supremacist website.

The man Hale was convicted of soliciting, WCOTC security chief Tony Evola, turned out to be an FBI informant who was wearing a recording device. The FBI recruited Evola shortly after a member of Hale's inner circle, Benjamin Smith, went on a three-day shooting rampage in July 1999 that left two minorities dead and nine others wounded before Smith committed suicide.

Law enforcement authorities have long suspected that Hale, who spoke to Smith frequently in the days before the spree, knew in advance of Smith's orgy of violence.

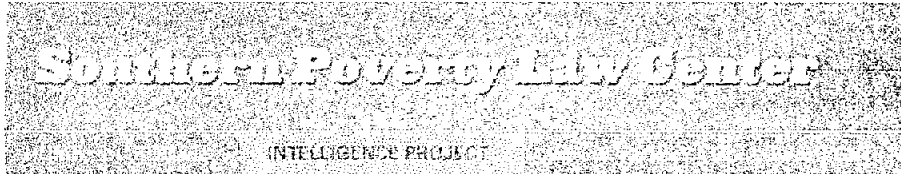
Other Hale followers have been arrested for aggravated assault, armed robbery, witness intimidation and attempted murder. Hale took over the hate group formerly known as the Church of the Creator in 1995 after its leader, Ben Klassen, killed himself. Under Klassen, a "reverend" from the group murdered a black man in Florida and set off a bomb in a NAACP office in Washington, among other violent acts.

Following Hale's arrest in early 2003, Lefkow received police protection — including guards posted in unmarked cars on her block — but that protection reportedly lessened after Hale was convicted, even though the FBI issued a bulletin to law enforcement agencies nationwide following his conviction, warning of the potential for retaliatory violence from Hale sympathizers.

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Family of judge targeted by hate group murdered



A confident Matt Hale poses with the World Church of the Creator logo, before his arrest and imprisonment for the attempted murder of Judge Joan Lefkow. (AP Wide World Photo)

Whither White Supremacy?
 As the investigation of the Lefkow murders touches on the world of white supremacy, Intelligence Project director Mark Potok discusses shifts in neo-Nazi groups with *The New York Times* (requires free registration).
[Go to NYTimes.com](http://www.nytimes.com)

Pontifex Ex
 The trial for that finally sent WCOTC leader Matt Hale to prison exposed Hale's shabby state — and the disarray of his once-infamous neo-Nazi organization.
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Creator Crackup
 The WCOTC's decline began when Lefkow forbade use of the group's name due to copyright infringement, one follower went on a killing spree and, much to his surprise, Hale was arrested.
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The Great Creator
 Despite overstating the WCOTC's membership by tens of thousands, Hale's "church" attracted headlines and sociopaths throughout the '90s.
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Church of the Creator: A History
 Read a timeline of events in the history of the COTC (later WCOTC), from its 1973 founding.
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Pontifex, Esq.?
 Before Matt Hale was convicted of attempting to murder a federal judge, he had his own aspirations to join the bar.
[Read More](#)

Matthew F. Hale

From Wikipedia, the free encyclopedia

Matthew F. Hale (born July 27, 1971), more commonly called **Matt Hale**, was the second leader of the white separatist group formerly known as the World Church of the Creator and now known as the Creativity Movement. The organizations headquarters were based in East Peoria, Illinois. In 1998, Hale made headlines when his application for an Illinois law license was denied due to his belief in White Supremacism (described as a "gross deficiency in moral character").^[2] On April 6, 2005, Hale was sentenced to a 40-year prison term for soliciting an undercover FBI informant to kill federal judge Joan Lefkow.^[3] He is currently incarcerated in the Administrative Maximum facility in Florence, Colorado as Inmate number 15177-424.^[4]

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Early life

Hale was raised in East Peoria, a community on the Illinois River. According to Hale, by the age of 12, he was reading books about National Socialism such as Adolf Hitler's *Mein Kampf*, and had formed a group at school.

In August 1989, Hale entered Bradley University, studying political science. In September 1989, Hale began writing editorials in the college newspaper, the *Bradley Scout*, espousing his views of White Separatism. A student at Bradley, Robert Bingham, also a political science major, began a debate in the college newspaper editorial about civil rights and the Ku Klux Klan. Upon coming out to give his surname, Matt Hale invited the KKK to the campus of Bradley in the spring of 1990; the same year, he was expelled from Bradley. At the age of 19, Hale burned an Israeli flag at a demonstration and was found guilty of violating an East Peoria ordinance against open burning. The next year, he passed out racist pamphlets to patrons at a shopping mall and was fined for littering. In May 1991, Hale and his brother allegedly threatened three African-Americans with a gun, and he was arrested for mob action. Since he refused to tell police where his brother was, Hale was also charged with

Rev. Matthew F. Hale

Born	July 21, 1971
Nationality	American
Ethnicity	White
Education	B.A. Bradley University; J.D., Southern Illinois University ^[1]
Occupation	Religious leader
Years active	13
Home town	East Peoria, Illinois, United States
Known for	Religious leader; arrest and conviction
Title	Pontifex Maximus
Predecessor	Ben Klassen, P.M.E.
Religious beliefs	Creativity
Parents	Mr. Russell Hale and Mrs. Evelyn Hutcheson

Conviction(s) Soliciting an undercover FBI informant to kill Judge Joan Lefkow

Penalty 40-year prison term

Status Captured and incarcerated at ADMAX prisoner number 15177-424

felony obstruction of justice; he was convicted of obstruction, but won a reversal on appeal. In 1992, Hale attacked a security guard at a mall and was charged with criminal trespass, resisting arrest, aggravated battery and carrying a concealed weapon. For this attack, Hale was sentenced to 30 months probation and six months house arrest.^[5]

In 1993, Hale graduated from Bradley University and received a degree in political science. In 1996, Hale took over the Church of the Creator, a religious group that worships the white race as the creators of western civilization. The church believes that a "racial holy war" is necessary to attain a "white world" without Jews and non-whites and to this end it encourages its members to "populate the lands of this earth with white people exclusively".

After Hale was appointed "Pontifex Maximus" (supreme leader), he changed the name of the organization to the World Church of the Creator. The name was again changed to the Creativity Movement when a religious group in Oregon (the Church of the Creator) sued Hale's group for trademark infringement. Hale ran the church from an upstairs bedroom at his father's two-story house in East Peoria.

Controversy over law license

Hale graduated from Southern Illinois University School of Law in May 1998 and passed the bar in July of that same year. On December 16, 1998, the Illinois Bar Committee on Character and Fitness rejected Hale's application for a license to practice law. Hale appealed, and a hearing was held on April 10, 1999. On June 30, 1999, a Hearing Panel of the Committee refused to certify that Hale had the requisite moral character and fitness to practice law in Illinois.^[6]

Two days after Hale was denied a license to practice law, a World Church of the Creator member named Benjamin Smith went on a three-day shooting spree in which he randomly targeted members of racial and ethnic minority groups in Illinois and Indiana. Beginning on July 2, 1999, Smith shot nine Orthodox Jews walking to and from their synagogues in Chicago's West Rogers Park neighborhood, killed two people, including former Northwestern University basketball coach Ricky Byrdson, in Evanston, Illinois, and a 26-year-old Korean graduate student named Won-Joon Yoon who was shot as he was on his way to church in Bloomington, Indiana. Smith wounded nine others before committing suicide on July 4. Mark Potok, director of intelligence for the Southern Poverty Law Center, believes that Smith may have acted in retaliation after Hale's application to practice law was rejected.^[7]

After Smith's shooting spree, Hale appeared on television and in newspapers saying, "We do urge hatred. If you love something, you must be willing to hate that which threatens it." He also referred to non-whites as "mud races." According to Hale, America should only be occupied by whites. During a television interview that summer, Hale stated that his church didn't condone violent or illegal activities. Meanwhile, Hale was distributing thousands of copies of the "White Man's Bible," a book which encouraged a war against Jews and "inferior, colored races". In public, Hale claimed to be against violence, but his church's bibles expressed the opposite sentiment: "You have no alibi, no other way out, white man! It's fight or die!"^[8]

Hale's reactions to Smith's shooting spree were also recorded by a police informant, and on the tapes Hale supposedly laughs about the murders and imitates the sound of gunfire.

Federal convictions

On January 8, 2003, Hale was arrested, charged with soliciting an undercover FBI informant to kill Judge Joan

Lefkow, the United States district court judge presiding over his trademark case.^[9]

Hale had previously filed a class action lawsuit against Lefkow in late 2002, around which time threats against her life appeared on the white nationalist forum Stormfront.org and other websites. Prior to his arrest, Hale denounced Lefkow in a news conference, claiming that she was biased against him (in his trademark case) because she was married to a Jewish man and had grandchildren who were biracial.

On February 28, 2005, Lefkow's mother and husband were murdered at her home on Chicago's North Side. Chicago Police revealed on March 10 that Bart Ross, a plaintiff in a medical malpractice case that Lefkow had dismissed, admitted to the murders in a suicide note written before shooting himself during a routine traffic stop in Wisconsin the previous evening.^[10]

On April 6, 2005, Hale was sentenced to a 40-year prison term for his conviction for attempting to solicit the murder of Lefkow.^[11]

Hale's projected release date is December 6, 2037.^[12]

Further reading

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/InmateFinderServlet?Transaction=NameSearch&
needingMoreList=false&LastName=hale&Middle=&
FirstName=matthew&Race=W&Sex=M&
Age=&x=26&y=14)

External links

- "The Creativity Movement" Rick A. Ross Institute (<http://www.rickross.com/groups/hale.html>)

Retrieved from "http://en.wikipedia.org/wiki/Matthew_F._Hale"

Categories: 1971 births | Americans convicted of soliciting murder | American neo-Nazis | Antisemitism | Creativity (sect) | Bradley University alumni | Living people | People from Tazewell County, Illinois |

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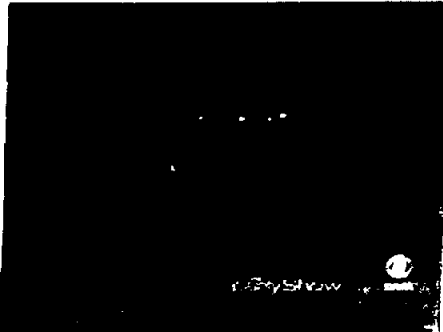
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CHICAGO, March 10, 2005

Suicide Note: I Killed Judge's Kin

Man Pulled Over For Faulty Tail Light Kills Self, Admits Slayings

By Francie Grace



[Play CBS Video Break In Judge Kin Slay](#)

There's a possible break in the investigation into the murders of a federal judge's husband and mother in Chicago. Chelsea Irving of CBS station WBBM reports.



Chicago police officers search for evidence in front of a house in northwest Chicago Thursday, March 10, 2005. The house is the last known address of Bart Ross. (AP)

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"We're satisfied that there's information in the letter that would point us to Ross being in Lefkow's house," Cline said.

The suicide note was found in Ross' van after he shot himself just outside Milwaukee, the source told the AP on condition of anonymity.

(CBS/AP) When police pulled over Bart Ross' van on a rural Milwaukee street, they had no way of knowing it would be the biggest break yet in the Judge Lefkow murder case.

Ross shot himself to death upon being stopped by police in Wisconsin, and claimed in a suicide note that he killed a federal judge's husband and mother.

CBS News Correspondent Cynthia Bowers reports that the note appears to confirm Judge Joan Lefkow's worst fear — that her work cost her husband and mother their lives.

In the note, the 57-year-old Chicago man says Lefkow's ruling against him in a medical malpractice case, "cost him, his family, his job, and his home."

Police Chief Phil Cline said Thursday that two letters and a witness description appear to connect Bart Ross to the killing, but he stopped short of calling the 57-year-old Chicago man the sole suspect.

Cline said authorities believe Ross was the man a witness had described seeing near U.S. District Judge Joan Lefkow's home the day of the killings.

WMAQ-TV in Chicago said it also received a hand-written note Thursday signed by a Bart Ross, in which the writer describes breaking into the house of Judge Joan Humphrey Lefkow around dawn on Feb. 28 with the intent to kill her, the station reported.

Lefkow had ruled against Ross in a civil case involving a medical-malpractice lawsuit, a ruling that was upheld by a federal appeals court in January. Ross was also being evicted from his home and had a court date Thursday.

Cline cautioned that authorities were still searching Ross' Chicago home and comparing crime evidence to him.

"We are not prepared at this time to definitely say that any one person is responsible for these homicides," he said.

Lefkow, 61, found the bodies of her husband, attorney Michael Lefkow, 64, and her mother, Donna Humphrey, 89, on the basement floor of the Lefkow home the evening of Feb. 28.

Suspicion immediately turned to white supremacist Matthew Hale, who had been convicted of soliciting Lefkow's murder after she ruled against him in a trademark dispute. Investigators insisted, however, that Hale's followers and other hate groups were just one focus of the investigation.

James Finch, head of the Milwaukee FBI office, said Thursday that agents were not yet scaling back the investigation into the slayings because "we have not definitively tied this individual to the Lefkow murders."

Finch said he didn't know if agents had yet compared DNA and fingerprints found at the Lefkow home to Ross. Authorities have said that DNA from a cigarette butt found in a sink did not match anyone in the Lefkow family or anyone in the FBI's database of felons.

In the letter to WMAQ, Ross said he waited all day in a utility room in the basement and shot the judge's husband after being discovered. Ross said he then shot Lefkow's mother after she heard the gunshot and called out to her son-in-law.

"After I shot husband and mother of Judge Lefkow, I had a lot of time to think about life and death. Killing is no fun, even though I knew I was already dead," the station quoted the letter as saying.

Ross said he stayed in the house until about 1:15 p.m. before deciding to leave, according to the letter.

Ross was stopped by police in West Allis, Wis., Wednesday evening because his van had a faulty tail light, police said. As officers approached the car, he killed himself with a gunshot to the head, police said.

Police in the Milwaukee suburb declined to characterize the evidence found in the van. But a source close to the investigation told the AP on condition of anonymity the van contained a suicide note that also listed other judges.

Last September, Lefkow dismissed a civil rights lawsuit in which Ross claimed doctors at the University of Illinois-Chicago Hospital and its clinic had disfigured him, damaged his mouth and caused him to lose his teeth when they treated him for cancer from 1992 to 1995.

Among other claims, Ross alleged doctors committed a "terrorist act" against him by giving him radiation treatment without his consent. Defendants included the federal government, the state of Illinois, five doctors and four attorneys who had taken part in an earlier lawsuit filed by Ross that was dismissed by U.S. District Judge David Coar. Ross represented himself in the lawsuit.

Ross wanted Congress to impeach Coar and federal appeals court judges John Coffey, Frank Easterbrook and Daniel Manion for failing to reform the justice system and denying Ross' petition to move his case to a higher court.

Coffey's office is in Milwaukee. Judge Terence Evans, who was on the federal appeals court panel that affirmed Lefkow's decision Jan. 21, is also based in Milwaukee.

Evans said in a statement Thursday that he was notified early Thursday by U.S. Marshals about Ross's suicide. A receptionist at Coffey's office said he would have no comment.

In the letter to the television station, Ross said he "gave up further killings" after the Lefkow and Humphrey slayings, but approached the homes of a doctor and another judge who at one point he apparently planned to kill.

Ross was also about to face eviction from his home, according to Cook County Sheriff's spokesman Bill Cunningham. A lawsuit was filed in housing court Feb. 23 seeking to evict Ross, and sheriff's deputies tried three times in early March to serve Ross with court papers. The case was due in court Thursday.

Police have been unable to find any of the man's family. Chicago police Thursday cordoned off the street outside Ross' last-known address, a two-story home across from a high school on a tree-lined street on the city's North Side.

NEW YORK TIMES REPORTER DAVID KAY JOHNSTON IS A GOVERNMENT INFORMANT

By Robert R. Raymond

March 26, 2004

Imagine: an American journalist using his cover for the most prominent paper in the country to inform on and demonize select political critics of the government! The Godfather had his "newspaper friends" on the payroll, and the IRS has theirs: David Kay Johnston.

David Kay Johnston, a celebrated New York Times reporter, reveals in his recent book, *Perfectly Legal*, his history of acting as a government informant against political dissenters on behalf of his best government sources. Criticized by many for his lack of journalistic integrity, Johnston's revelations in his book still shock the conscience. Johnston's informing and propaganda at the behest of favored insiders induced audits, secret surveillance, and criminal prosecutions of select political targets.

Johnston details case after case where he used his cover as a New York Times reporter to elicit information from political dissenters, then disclosed that information to others. How many people would know this friendly reporter was really there as a federal agent? Johnston gathered information on the names of the people in protest movements, uncovered the locations of their meetings, elicited the intentions of movement leaders, and even tried to induce some of them to incriminate themselves. Johnston's informing has now allowed the agency to blacklist select political targets.

Johnston's disclosures dovetail with his role as a public relations agent of the government -- propagandizing from the front pages of the Times whenever the hardliners need publicity to prosecute disfavored political groups. (Not surprisingly, Johnston rose to fame during the Jayson Blair "see no evil, hear no evil" editorial leadership at the Times, when the Times licensed all kinds of licentious conduct.) Johnston goes even further in his book than the Times could allow -- invading the privacy of taxpayers and whispering confidential information about politically prominent critics in his book, especially those who raised questions about governmental fraud in the agency, even though this information is illegal for the government to disclose.

The second startling revelation comes from Johnston's open propagandizing. Johnston often cited mysterious "tax experts" in his past articles for legal criticisms of political dissenters. We now know who those mysterious "experts" are -- Johnston himself and the hardliners within the government. Sort of like citing a CIA employee as an "international law expert," without disclosing who he works for, to give an opinion on why it's okay for the government to assassinate foreign leaders.

Masquerading as a muckraking journalist, Johnston masks his true constituency: the hardliners within the tax police state who use him as their personal spokesperson, unbeknownst to his editors at the Times. Never known for his intellectual prowess, Johnston may be a cheap mouth piece, but a mouth piece with a big speakerphone.

Johnston, who rode his coverage of the truth in taxation movement to a Pulitzer Prize, never even mentions the millions of Americans questioning the suspect status of many tax laws and the deliberate shroud of obscurity covering those laws, the IRS banning the selling of books critical of the agency, the IRS prohibiting web sites critical of them, or the Silence Advocacy Project revealed in the recent prosecution of former whistleblower, Joe Banister.

Instead, Johnston offers only one solution to the corrupt, abusive tax police state -- more money and more power to that tax police state. Johnston dips even lower, suggesting those who believe in financial privacy

are Al-Queda sympathizers with blood on their hands from 9/11. Those who challenge imprisoning people for tax debts under the 13th Amendment secretly support "white racist" organizations. Finally, anyone who questions the tax police state is likely an anarchist bent on attacking the "commonwealth" of society itself. Even McCarthy made more sense than Johnston.

In sum, Johnston's book discloses the depths of a tax police state worthy only of Dante's Ninth circle of Hell -- the one reserved for those practiced in the sedition of sacred principles. Do they give out any special journalist prizes for the best government informant? (No IRS audits?) How about acting as an in-house public relations specialist for the state? (The Pravda award?) What about deceptive state propaganda? (The Goebbels prize?) I can think of at least one worthy nominee.

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trusts are disregarded and the income is attributed to the true owners.

A number of prosecution strategies are available to attack these abusive trust schemes. Past experience has shown that one of the most successful approaches in combating these schemes is proving who controlled and spent the money rather than attacking the actual trust structure. Juries are often left confused in situations where it becomes a battle of the experts on the question of the validity of the trusts. Therefore, prosecutors have focused on tracing the flow of money and attributing it to the individuals who earned and controlled it. The government has directed its prosecution efforts primarily against promoters and their clients who have willfully taken advantage of these egregious schemes to evade their taxes. In such cases, the government has experienced a high degree of success. ♦

ABOUT THE AUTHORS

□ **Martin E. Needle** has served as an attorney in the Criminal Tax Division of the Internal Revenue Service since 1992. Before that, Mr. Needle was a senior associate with the accounting firm Coopers & Lybrand. Mr. Needle has done extensive work in the abusive trust area including lectures before

IRS Criminal Investigation, Counsel, and Assistant United States Attorneys. Along with these speaking engagements, Mr. Needle has prepared the underlying course materials and participated in training activities.

Dora S. Welsh has been a trial attorney in the Tax Division of the Department of Justice for over twenty-one years. During that time she has tried a number of complex tax cases, several of which involved offshore trust issues. During the last eleven years she has been a senior trial attorney for the Southern Criminal Enforcement Section of the Tax Division and, in that capacity, she has worked on the 1994 Criminal Tax Manual and its previous editions, participated in training activities in the abusive trust area, and served as coordinator of abusive trust cases and issues.

Beth Elfrey has been a trial attorney in the Criminal Enforcement Section of the Tax Division since October, 1992. Ms. Elfrey has litigated numerous criminal tax cases, including abusive trust prosecutions. During the last year, she served as the Criminal Enforcement Section's Abusive Trust Coordinator. She has participated in speaking engagements on abusive trust matters and developed an expert witness training program for IRS revenue agents. ☒

Recycled "Redemption": The Latest Illegal Tax Protester Scheme

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The latest illegal tax protester scheme to sweep the nation is a hybrid of the "redemption" scheme popular in the 1980s and the fictitious financial instrument schemes popular in the 1990s. The 1980s redemption scheme promoted the use of federal income tax forms, usually

Forms 1099, to retaliate against government employees or private citizens for perceived wrongs to the illegal tax protester. The scheme was designed to trigger an Internal Revenue Service (IRS) audit, during which the Form 1099 recipient would have to explain the discrepancy between the income reported on his or her return and that reported on the Form 1099. *See United States v. Van Krieken*, 39 F.3d 227 (9th Cir. 1994); *see also United States v. Lorenzo*, 995 F.2d 1448 (9th Cir. 1993).

The most popular scheme of the 1990s used fictitious financial instruments to "pay" tax liabilities and obtain erroneous IRS refunds, as well as to "pay" private creditors. These instruments – often entitled "Certified Money Order," "Certified Bankers Check," "Public Office Money Certificate," or "Comptroller Warrant" – were designed to deceive the IRS and financial institutions into treating them as authentic checks or real money orders.

The recycled "Redemption" scheme combines the use of fictitious financial instruments with the use of IRS forms for harassment purposes. The scheme was uncovered in 1999 during the prosecution of Veral R.H. Smith and his wife, Judy, in the District of Idaho. Both had been indicted for failing to file federal income tax returns for the years 1992 through 1994. The defendants had earned gross receipts totaling over \$435,000 during the prosecution period from their business, *Lead Bullet Technologies (LBT)*. LBT manufactured and sold bullet molds and other ammunition-related products. Smith operated LBT out of his Moyie Springs, Idaho, home, a fairly isolated forty-acre property near the Montana-Canada border.

Early in the prosecution, Smith canceled a court-ordered doctor's appointment for his wife to assess her physical competency to stand trial. He also wrote to the United States Attorney "canceling the [criminal] proceedings." Despite notification to both defendants that the proceedings were not canceled, neither defendant appeared in court. As a result, the court issued a bench warrant for the arrest of defendant Veral Smith. *Hoping to avoid execution of the bench warrant*, the United States Marshals drove to

Smith's property in northern Idaho. They spoke with Smith across the fence that lined his property and encouraged him to come to court. Smith refused and told the Marshals that he had sent a letter to the court to resolve the matter.

Subsequently, the clerk of the court received a "Sight Draft," dated July 20, 1999, payable to the IRS in the amount of \$1.5 million, signed by Veral R.H. Smith. The draft was purportedly issued by the U.S. Treasury. It was later learned that Smith had also attempted to use a "sight draft" for over \$106,000 to purchase two brand new automobiles, a Toyota Tundra pickup truck and a Lexus LS400 sedan. On August 3, after a scuffle with two Deputy Marshals, Smith was arrested as he left the Moyie Springs Post Office.

A superseding indictment returned on October 7, 1999 charged Smith with three counts of failure to file income tax returns (26 U.S.C. § 7203), two counts of presenting fictitious obligations (18 U.S.C. § 514), one count of resisting arrest (18 U.S.C. § 111), and one count of failure to appear (28 U.S.C. § 3146(a)(1)). During the trial, Smith admitted filing false IRS Forms 8300 (Report of Cash Payments Over \$10,000 Received in a Trade or Business) against one of the prosecutors and the judge, alleging that each had been paid \$200 trillion dollars in foreign currency. Prosecutors used these documents as justification for an obstruction enhancement at sentencing. *See United States v. Veral Smith*, 3:99-CR-00025 (D. Idaho 2000) <<http://www.id.uscourts.gov>> (district court considered false Forms 8300 filed against prosecutors and judge as evidence supporting obstruction enhancement). Smith was sentenced to fifty-one months in prison.

Within months of learning about the sight drafts presented in the Smith case, the Treasury Department received hundreds of sight drafts with face values ranging from as little as \$1,200 to amounts in the trillions of dollars. The Office of the Comptroller of Currency and the Office of the Fiscal Assistant Secretary of the Department of Treasury issued Alerts to the banking industry in August 1999. *See* <<http://www.occ.treas.gov/altlst99.htm>>. Simultaneously, participants in the new

“Redemption” scheme were sending false Forms 8300 by the hundreds to the Detroit Data Center.

The theory behind the “Redemption” scheme is based on the erroneous premise that when the United States went off the gold standard in 1933, the government began to be funded with debt instruments secured with “the energy of current and future inhabitants.” A fictitious identity or “straw man” was created for each American, and the value of a person’s birth certificate became the collateral for our currency. The value of an individual’s birth certificate is determined by the number of times it is traded on the world futures market and the amount is purportedly maintained in a Treasury Direct Account under that person’s social security number.

A participant in the scheme attempts to reclaim his or her straw man, and therefore the value of the fictitious identity, by redeeming his or her birth certificate. The participant first files a Form UCC-1 with the Secretary of State in any state that accepts such filings, claiming title and security interest in his or her social security, driver’s license, and birth certificate numbers. The individual then writes “acceptance for value,” “non-negotiable charge back,” or other prescribed language diagonally on some government document and returns it to the government official who issued it. The types of documents used for redemption include anything from a traffic ticket to a federal indictment. The “charge back” allegedly creates a Treasury Direct Account with the U.S. Treasury that contains the amount assigned to the charge back, which the participant can then draw upon by writing “sight drafts.” “Sight drafts” are then written for varying amounts, some as high as trillions of dollars. A Form UCC-3 indicating the partial release of collateral in the amount of each sight draft is usually filed with the Secretary of State for the state in which the UCC-1 was filed.

The “sight drafts” look like checks, are of very high print quality, and usually contain some reference to HJR 192, the House Joint Resolution that took the United States off the gold standard in 1933. These “sight drafts” purport to be drawn on the United States Treasury Department. Since the prosecution of individuals who have attempted to

pass these fictitious “sight drafts” began, the scheme has continued to evolve: “sight drafts” are now sometimes called “bills of exchange,” or “trade acceptances.” All reference HJR 192.

The harassment component of the scheme usually involves filing a false Form 8300, although some Forms 4789 (Currency Transaction Reports) and Suspicious Activity Reports (SARs) have also been filed. These documents report that a large amount of cash, sometimes foreign currency, was paid to the named recipient. IRS agents, federal and state prosecutors and judges, state troopers, and private creditors are the common targets. Typically, the protester will send his or her victim an IRS Form W-9, requesting a social security number. Even without the target’s social security number, the protester files a Form 8300. Unless the document has already been identified as fraudulent, the IRS sends a letter to the named recipient requesting additional information and warning of possible penalties for incomplete information. A “fraud” indicator is attached to the computerized record of those documents identified as part of this scheme. The fraudulent Forms 8300 are then sent to the appropriate IRS Criminal Investigation Division (CID) office or to the Treasury Inspector General for Tax Administration (TIGTA) for investigation. Those who receive one of these false forms should contact the local CID office. CID investigates all non-IRS employee filings, while TIGTA has jurisdiction over filings against IRS personnel. All of these cases, whether investigated by CID or TIGTA and regardless of the statutes charged, require authorization from the Tax Division before conducting a grand jury investigation and/or prosecuting.

Historically, bogus financial instrument cases involving private creditors were prosecuted under a variety of statutes: conspiracy (18 U.S.C. § 371); mail fraud (18 U.S.C. § 1341); uttering a false security (18 U.S.C. § 472); bank fraud (18 U.S.C. § 1344), and possessing and uttering a counterfeit security (18 U.S.C. § 513). *See, United States v. Pullman*, 187 F.3d 816 (8th Cir. 1999); *United States v. Hanzlicek*, 187 F.3d 1228, 1230 (10th Cir. 1999); *United States v. Wells*, 163 F.3d 889 (4th Cir. 1998); *United States v. Stockheimer*, 157 F.3d 1082 (7th Cir. 1998).

In 1996, Congress passed a new statute, 18 U.S.C. § 514, specifically in reaction to the notorious Schweitzer/Broderick comptroller warrants. Noting that anti-government groups use fictitious financial instruments to commit economic terrorism against government agencies, private businesses, and individuals, Congress enacted Section 514 as a Class B felony, which carries a maximum prison sentence of 25 years. 142 Cong. Rec. S10155-02 (Sept. 10, 1996), pp. 196-197. Section 514 provides, in pertinent part, that:

(a) Whoever, with the intent to defraud—

(1) draws, prints, processes, produces, publishes, or otherwise makes, or attempts or causes the same, within the United States;

(2) passes, utters, presents, offers, brokers, issues, sells, or attempts or causes the same, or with like intent possesses, within the United States; or

(3) utilizes interstate or foreign commerce, including the use of the mails or wire, radio, or other electronic communication, to transmit, transport, ship, move, transfer, or attempts or causes the same, to, from, or through the United States,

any false or fictitious instrument, document, or other item appearing, representing, purporting, or contriving through scheme or artifice, to be an actual security or other financial instrument issued under the authority of the United States, a foreign government, a State or

other political subdivision of the United States, or an organization, shall be guilty of a class B felony.

When prosecuting a case involving the “Redemption” scheme, the prosecutor should first determine if the protester has attempted to pass any fraudulent sight drafts or other financial instruments. This will require coordination with the U.S. Secret Service (USSS), Federal Bureau of Investigation (FBI), IRS and TIGTA. Title 18, U.S.C. § 514 is the obvious charge when prosecuting a case involving a sight draft. To date, four trials in the District of Idaho have had successful results: *United States v. Boone*, 1:99-CR-00119; *United States v. Clapier*, 1:99-CR-00120; *United States v. Pahl*, 1:99-CR-00121; *United States v. Smith*, 3:99-CR-0025. For filings relating to these cases, see the Idaho federal courts web page at <<http://www.id.uscourts.gov>>.

If the protester has filed only a few false Forms 8300 and used sight drafts, the prosecutor might consider charging the sight drafts pursuant to 18 U.S.C. § 514 and using the false Forms 8300 as evidence of intent. Filing a large number of false Forms 8300 may warrant charges pursuant to 26 U.S.C. § 7212(a) (omnibus clause). Section 7212(a) cases require Tax Division authorization at the Deputy Assistant Attorney General level, unlike other charges in these cases that require only Section Chief authorization. Because the Forms 8300 are signed under penalties of perjury, filing a false return in violation of 26 U.S.C. § 7206(1) may also be a viable charge. Neither Forms 4789 nor SARs contain jurats, so they cannot form the basis for a Section 7206(1) charge.

Sentencing for violations of 18 U.S.C. § 514 is governed by § 2F1.1 of the United States Sentencing Guidelines (USSG), and is based on the intended loss that the defendant was attempting to inflict. One common concern in the prosecution of this scheme involves the sometimes great difference between “intended loss” and “actual loss.” Often, little or no actual loss results from the use of a fictitious financial instrument. In *United States v. Ensminger*, 174 F.3d 1143 (10th Cir. 1999), the court was faced with a scheme to obtain ownership in real

property through submission of bogus financial instruments. The district court enhanced Ensminger's sentence under 18 U.S.C. § 1001, based on an intended loss of \$540,700, the uncontested value of the property. The facts in *Ensminger*, however, showed that there was no way the scheme could have succeeded, because the properties Ensminger attempted to obtain had already been sold to third parties. Based on these facts and two previous decisions (*United States v. Galbraith*, 20 F.3d 1054 (10th Cir. 1994); *United States v. Santiago*, 977 F.2d 517 (10th Cir. 1992)), the Tenth Circuit held that a ten-level enhancement for the intended loss was clearly erroneous. The *Ensminger* court noted that the Fifth, Seventh, Ninth, Eleventh, and District of Columbia Circuits disagree with this analysis, in reliance on application note 10 to section 2F1.1 of the guidelines. *Ensminger*, 174 F.3d at 1146-47. Furthermore, in cases specifically involving the use of bogus financial instruments, the Fifth Circuit upheld sentencing based on the face value of the Certified Money Orders even though there was no actual loss. See *United States v. Moser*, 123 F.3d 813, 830 (5th Cir. 1997). See also *United States v. Switzer*, 162 F.3d 1171, Nos. 97-50265, 97-50293, 97-50442, 1998 WL 750914 (9th Cir. Oct. 19, 1998) (upholding sentence based on intended loss); *United States v. Lorenzo*, 995 F.2d 1448, 1460 (9th Cir. 1993).

Sentencing for violations of the omnibus clause of 26 U.S.C. § 7212(a) is governed by either USSG § 2J1.2 or § 2T1.1. USSG App. A. Because the filing of the false Forms 8300 is designed to harass targeted individuals, rather than generate fraudulent refunds or reduce the perpetrators' tax liabilities, there is an argument that USSG § 2J1.2 (base offense level 12) should be applied. In addition, the application of § 2T1.1 requires a calculation of the tax loss that was the object of the offense. Although it can be argued that the targeted individual would have sustained a loss if the false Form 8300 was accepted at face value by the IRS, the absurdly high amounts on the forms could discourage courts from finding that the defendants actually intended a tax loss. See *United States v. Krause*, 786 F. Supp. 1151 (E.D.N.Y. 1992) (court held there was no tax loss from Forms 1096 falsely stating payments of huge

fictional salaries to various individuals and tax return claiming entitlement to a refund in excess of \$23 million because the documents were specious on their face and did not represent an actual attempt to obtain something of value from the government), *aff'd*, 978 F.2d 706 (2d Cir. 1992); see also *United States v. Telemaque*, 934 F.2d 169 (8th Cir. 1992). But see *United States v. Dentice*, 202 F.3d 279, No. 99-50101, 1999 WL 1038003 (9th Cir. Nov. 15, 1999) (Ninth Circuit declined to follow *Krause* because "it was decided under a different guidelines scheme and unlike *Dentice*, *Krause* was a tax protestor who was acknowledged as such by the government and who did not actually intend to claim a refund, like *Dentice*").

Sentencing for violations of 26 U.S.C. § 7206(1) based on the filing of false Forms 8300 is governed by USSG § 2S1.3. Section 2S1.3 provides for a base offense level of six plus the number of offense levels from the fraud loss table (§ 2F1.1) corresponding to the amount of funds involved in the false report.

The "Redemption" scheme continues to evolve. Consequently, the best prosecutions require coordination of investigations by all involved agencies: IRS, TIGTA, FBI and USSS. The Tax Division has sample indictments and is available to help however possible. Any questions concerning these schemes or requests for assistance should be directed to Jennifer E. Ihlo, Special Counsel for Tax Protest Matters (Criminal), at 202-514-5171.❖

ABOUT THE AUTHORS

❑ **Jennifer E. Ihlo** is Special Counsel for Tax Protest Matters (Criminal) in the Tax Division of the Department of Justice. She has been a trial attorney with the Tax Division since July, 1989. She is a two-time recipient of the Tax Division's Outstanding Attorney Award. On July 8, 1998, she received the Attorney General's John Marshall Award. She regularly lectures on the subject of prosecuting illegal tax protesters. Ms. Ihlo is the author of *The Gold Fringed Flag: Prosecuting Illegal Tax Protesters*, United States Attorneys' Bulletin, April 1998, and co-author of

TEST

Joseph R. "Joe" Banister



Make donations to Joe Banister [here](#).

Banister Trial 2005 Case # S-04-435 WBS
Judge William B. Shubb
Day 1 TUE June 14
Day 2 WED June 15
Day 3 THU June 16
Day 4 FRI June 17
Day 5 MON June 20
Day 6 TUE June 21
Joe wins! THU June 23

Post Trial Press



You'll notice that the name of this organization is **Freedom Above Fortune**, not Freedom Without Fortune or Freedom Instead of Fortune. Rather, Freedom Above Fortune is an organization dedicated to the concept that no amount of real or perceived economic prosperity or fortune is worth trading for your freedom. This is not to say that pursuing economic prosperity, in and of itself, is bad. Rather, it is to say that those who are willing to sell their freedom and their children's freedom for a few pieces of silver, as Judas did when he betrayed Jesus Christ, are shortsighted and foolish. If you are willing to sell your freedom for short term financial security, real or perceived, the willingness to sell your very soul can't be far behind.

Tuesday, March 02, 2004

Posted 7:30 AM by Joe |

IRS Reveals "Silence Advocacy Project"

IRS Looks to Nixon Era Model For Punishing War Protestors

Dear Friends:

For those following my continuing battle to expose IRS wrongdoing and the IRS's attempts to silence and discredit me for doing so, you will recall that on January 23rd, 2004 I submitted to the Secretary of the Treasury a 50 page appeal of Administrative Law Judge (ALJ) Moran's "Initial Decision" to "disbar" me from "practice" before the IRS. (www.freedomabovefortune.com, click on "IRS LOCKOUT UPDATE" and scroll down near the bottom of the document list)

I just received word that the IRS has filed a legal brief replying to my appeal to the Secretary. I have not yet read the IRS's reply brief but my attorneys say it is truly startling because the IRS actually admits its true objective - a "Silence Advocacy Project". That's right...the IRS wants to use the "DOP" (Director of Practice) as a secret police force to monitor and punish political advocacy. This secret police force is based on a very similar Nixon-era secret group within the IRS used to punish war protestors in the late 60s. Is it any surprise that the agency fought so hard to limit all discovery (my right to learn details about the government's evidence and witnesses) in the case against me? Is it any surprise that the IRS is desperately fighting my appeal?

The "Silence Advocacy Project" uses the IRS Director of Practice and its little Hoover-like enforcers such as Mr. David Finz (whom my counselors of law proved committed perjury in my case) to silence all advocates and advocacy it disfavors. First, these enforcers monitored my political appearances, then admitted that the *referral of the IRS complaint against me resulted from my talk radio appearances*. (Apparently IRS officials simply can not tolerate one of their former criminal investigators telling America the truth about the agency's deceitful and illegal practices.) Where did the IRS acquire the authority to engage in such monitoring of 1st Amendment activities? Hint - they never acquired such authority - at least not legally. Congress only allowed the IRS Director of Practice to regulate actual "practice before the IRS". Are you ready for this? The IRS claims that "practice before the IRS" actually includes anything involving "preparation" for any kind of "presentation" that might involve a "right" of a taxpayer. In other words, according to the IRS, all the political rallies a person attends or speaks at and all private political strategies and efforts are subject to IRS scrutiny. Can you believe this? And you thought the IRS just collected the income tax "with integrity and fairness for all" as outlined in the agency's mission statement!

Sprinkle in the new powers of the Patriot Act, and the IRS Director of Practice just crowned itself the most powerful agency in the federal government, accountable to no one and with access to all private financial information through its IRS tax and financial databases, administrative subpoenas and audits outside of normal judicial process, combined with the power of a secret law enforcement tribunal which can label someone a "fraud," strip them of their professional livelihood, and set them up for other charges without ANY access to due process of law or right to confront their accusers!

What about Constitutional restraints? Forget it. The IRS now claims that the right to "practice" before the IRS is not a "license" at all, so that due process rules do not apply. (Ironically, the IRS doesn't explain how it can deny someone like me the right to "practice" before the IRS if the right to "practice" is not a "license" in the first place.) The IRS says it can ignore what laws it wants, but every client advocate must now conduct "due diligence" to rat out their client to the agency, stifle public dissent, and can never disagree with the agency's interpretation.



Joe Banister
 San Jose, California
 USA

Make donations to Joe Banister [here](#).

Joe's Websites
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This report was prepared by Joseph R. Banister, who graduated in 1986 from San Jose State University with a Bachelor's Degree in Accounting. He spent three years at KPMG Peat Marwick on their professional staff as a senior tax specialist and staff auditor. He then spent nearly two years in the venture capital industry during which time he became

§ 330. Practice before the Department

- (a) Subject to section 500 of title 5, the Secretary of the Treasury may--
- (1) regulate the practice of representatives of persons before the Department of the Treasury; and
 - (2) before admitting a representative to practice, require that the representative demonstrate--
 - (A) good character;
 - (B) good reputation;
 - (C) necessary qualifications to enable the representative to provide to persons valuable service; and
 - (D) competency to advise and assist persons in presenting their cases.
- (b) After notice and opportunity for a proceeding, the Secretary may suspend or disbar from practice before the Department, or censure, a representative who--
- (1) is incompetent;
 - (2) is disreputable;
 - (3) violates regulations prescribed under this section; or
 - (4) with intent to defraud, willfully and knowingly misleads or threatens the person being represented or a prospective person to be represented.

The Secretary may impose a monetary penalty on any representative described in the preceding sentence. If the representative was acting on behalf of an employer or any firm or other entity in connection with the conduct giving rise to such penalty, the Secretary may impose a monetary penalty on such employer, firm, or entity if it knew, or reasonably should have known, of such conduct. Such penalty shall not exceed the gross income derived (or to be derived) from the conduct giving rise to the penalty and may be in addition to, or in lieu of, any suspension, disbarment, or censure of the representative.

- (c) After notice and opportunity for a hearing to any appraiser, the Secretary may--
- (1) provide that appraisals by such appraiser shall not have any probative effect in any administrative proceeding before the Department of the Treasury or the Internal Revenue Service, and
 - (2) bar such appraiser from presenting evidence or testimony in any such proceeding.
- (d) Nothing in this section or in any other provision of law shall be construed to limit the authority of the Secretary of the Treasury to impose standards applicable to the rendering of written advice with respect to any entity, transaction plan or arrangement, or other plan or arrangement, which is of a type which the Secretary determines as having a potential for tax avoidance or evasion.

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

JANET MAVIS MARCUSSE

Plaintiff,

v.

UNITED STATES DEPARTMENT
OF JUSTICE, et al.,

Defendant.

}
}
}
}
}

No. 1:12-cv-01025 CKK

DECLARATION OF STEPHEN M. CORCORAN

I, STEPHEN M. CORCORAN, pursuant to the provisions of 28 U.S.C.
1746, declare and say:

1. I am a Special Agent in the Internal Revenue Service [IRS] office for Criminal Investigation [CI], Detroit Field Office in Grand Rapids, Michigan. I have been employed as a Special Agent with CI since 1995, working in the Grand Rapids office since February 2004.
2. As part of my official duties, I am responsible for conducting and participating in criminal investigations of individuals and businesses who have, or may have, violated federal law, especially the provisions of Title 18 (money laundering), Title 26 (federal tax), and Title 31 (currency transactions) of the United States Code. Pursuant to these duties, I am from time to time assigned to assist the attorney for the government in Grand Jury investigations.
3. During April 2001, a federal Grand Jury investigation was approved in the Western District of Michigan to investigate plaintiff and others for Titles 18

1 and 31 violations regarding their involvement in the organization, operation, and
2 promotion of an investment business called Access Financial Group. On May 7,
3 2001, the United States Attorney's Office in Grand Rapids, Michigan contacted
4 the IRS CI Detroit Field Office, requesting that it participate in the Grand Jury
5 investigation involving plaintiff. IRS CI decided to participate in the Grand Jury
6 investigation in order to fully develop the financial aspects of the case. The
7 approving official for this decision was the Special Agent in Charge of the Detroit
8 Field Office. In a letter dated March 25, 2004, the United States Attorney for the
9 Western District of Michigan notified the court that I had been authorized to
10 participate in the Grand Jury investigation as an agent of the Grand Jury. (Letter
11 attached as Exhibit A to this Declaration). In April 2004, I was formally assigned
12 to work the investigation. I have acted as an agent of the Grand Jury for
13 purposes of this investigation since this assignment.
14
15

16 4. On October 27, 2004, the Grand Jury returned an indictment against
17 plaintiff and her co-defendants for mail fraud, conspiracy to commit mail fraud,
18 money laundering, conspiracy to commit money laundering, and conspiracy to
19 defraud the United States in connection with their operation of Access Financial
20 Group.
21

22 5. In October 2012, in light of my involvement in the Grand Jury
23 investigation and subsequent criminal prosecution of plaintiff, Helene Newsome
24 and Deborah Lambert-Dean, the IRS Office of Chief Counsel attorneys who are
25 assigned to the instant FOIA litigation, contacted me in search of responsive
26 documents to plaintiff's Freedom of Information Act (FOIA) requests dated May
27
28

1 12, 2009 and October 18, 2010.¹ Ms. Newsome and Ms. Lambert-Dean
2 provided me a copy of these FOIA requests. (See Exhibits A and D to the
3 Lambert-Dean Declaration). Because the material sought by plaintiff in the
4 requests is so broadly worded, I have construed the requests as seeking all of
5 the documents that the IRS obtained or generated during both the Grand Jury
6 investigation and subsequent federal criminal prosecution of plaintiff and her co-
7 defendants. These documents constitute all of the documents responsive to
8 plaintiff's May 12, 2009 and October 18, 2010 FOIA requests.
9

10 6. All of the documents that the IRS obtained or generated during the
11 Grand Jury investigation and criminal prosecution of plaintiff and her co-
12 defendants were physically stored in the United States Attorney's Office in Grand
13 Rapids, Michigan throughout the investigation and trial. After the trial, because
14 of storage limitations in his office, the Assistant United States Attorney (AUSA)
15 handling the criminal case, ceded custody of these documents to the IRS CI
16 office in Grand Rapids, Michigan. To date, the IRS CI office in Grand Rapids,
17 Michigan maintains custody of these documents which amount to 61 boxes.
18

19 7. All of the documents that the IRS obtained or generated during the
20 Grand Jury investigation are Grand Jury material, subject to the confidentiality
21 provisions of Rule 6(e) of the Federal Rules of Criminal Procedure. All of the
22 documents that the IRS obtained or generated after the grand jury indictment
23

24 _____
25 ¹ Plaintiff's May 12, 2009 and October 18, 2010 FOIA requests are two of three requests that are the
26 subject of this lawsuit. Plaintiff's third request, dated October 19, 2010, seeks "[m]onetary award
recipients in [her] criminal case, including amount paid, name and agency." This third request is
addressed in the Lambert-Dean Declaration.

1 13. I am personally familiar with and have reviewed all of the Grand Jury
2 documents that the IRS obtained or generated during the grand jury process
3 involving plaintiff. The Grand Jury documents that were not made public in
4 plaintiff's criminal prosecution and which remain protected by Rule 6(e) consist of
5 54 boxes (with the exception of the documents described below in paragraph
6 29(e)), totaling approximately 99,838 pages.
7

8 14. Because of the sheer volume of Grand Jury documents as well as
9 resource constraints, I was unable to have the Grand Jury documents bates-
10 stamped in my office myself or have the documents bates-stamped by another
11 IRS office with authority to access these 6(e) documents prior to the February
12 11, 2013 court deadline in this case for filing the government's partial dispositive
13 motion addressing the claims against the IRS. Moreover, I am unable to
14 individually describe, in this declaration, each document within each of the 54
15 boxes by the February 11, 2013 court deadline. Thus, after conferring with Ms.
16 Newsome and Ms. Lambert-Dean, it was agreed that I should, for purposes of
17 this declaration, provide, box-by-box, an approximate page count of all pages
18 contained in each box along with a description of all categories of documents
19 contained in each box, including an explanation of why disclosure of such
20 documents would reveal a confidential aspect of the Grand Jury process.
21
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23 15. To summarize, the documents responsive to plaintiff's May 12, 2009
24 and October 18, 2010 FOIA requests are all of the documents that the IRS
25 obtained or generated during the Grand Jury process and subsequent federal
26 prosecution of plaintiff and her co-defendants, consisting of 61 boxes of
27
28

1 documents. Seven of the 61 boxes contain documents that were made public in
2 plaintiff's criminal prosecution. Because the documents in these seven boxes
3 were made public at trial, they are no longer protected by the confidentiality
4 provisions of Rule 6(e), and thus were provided to plaintiff, with social security
5 numbers redacted, in December 2012. The documents contained in the
6 remaining 54 boxes (with the exception of the documents described below in
7 paragraph 29(e)), totaling approximately 99,838 pages, are documents that are
8 still protected by Rule 6(e). These documents reveal "matters occurring before
9 the Grand Jury" and have not been provided nor made available to plaintiff or
10 any of her co-defendants during the Grand Jury investigation, the criminal trial, or
11 this instant litigation. These documents are being withheld in full pursuant to
12 FOIA exemption 3 in conjunction with Rule 6(e). (See paragraphs 43-45 of the
13 Lambert-Dean Declaration as to the bases for the Rule 6(e) assertion). All of the
14 records are also being withheld in full pursuant to FOIA exemption 7A. (See
15 paragraph 54 of the Lambert-Dean Declaration as to the bases for the 7A
16 assertion). Further, certain of these documents are being withheld in full
17 pursuant to FOIA exemption 3 in conjunction with 26 U.S.C. § 6103(a) and
18 exemption 5. (See paragraphs 55 and 56 of the Lambert-Dean Declaration as to
19 the bases for the § 6103(a) and 5 assertions).
20
21
22

23 16. I am aware of the responsibility under the FOIA to identify, segregate,
24 and release to the requester all non-exempt material. With respect to plaintiff's
25 May 12, 2009 and October 18, 2010 FOIA requests, the only non-exempt
26 material are the documents (with the exception of any social security numbers)
27

1 that were made public in plaintiff's criminal trial. Ms. Lambert-Dean explained to
2 me that she and Ms. Newsome redacted all social security numbers from these
3 documents for privacy purposes under FOIA exemption 6. These documents,
4 with social security numbers redacted, were released to plaintiff in December
5 2012. All of the remaining documents responsive to plaintiff's May 12, 2009 and
6 October 18, 2010 FOIA requests, with the exception of the approximately 50
7 pages of bank records described below in paragraph 29(e), are Grand Jury
8 material in their entirety. Grand Jury material is not susceptible to a line-by-line
9 review for segregation purposes. Grand Jury material is protected in full by Rule
10 6(e). As to the bank records described in paragraph 29(e), I have reviewed
11 these records, line-by-line, to identify any non-exempt information that may be
12 segregated and released, and I have determined that no segregation of
13 meaningful information can be made without disclosing information warranting
14 protection under the law pursuant to FOIA exemption 6. The following is a box-
15 by-box description of all of the Grand Jury documents and the approximately 50
16 pages of bank records that are being withheld in this case:
17
18

19 **BOX-BY-BOX DOCUMENT DESCRIPTIONS**

20 17. Box 1: Grand Jury documents in Box 1, consisting of approximately
21 1,700 pages, are being withheld in full pursuant to FOIA exemption 3 in
22 conjunction with Rule 6(e) and FOIA exemption 7A. These are categorized as
23 follows:
24

25 (a) Bank records pertaining to one or more defendants obtained through
26 Grand Jury subpoena(s), Grand Jury search warrant(s), and/or from custodians
27

1 identified in the Grand Jury investigation. These documents include statements,
2 deposit slips, and cancelled checks for 1999-2000. Disclosure of these records
3 would reveal the strategy, direction and scope of the Grand Jury investigation at
4 the time the documents were received which was ultimately abandoned at
5 prosecution because the records did not substantially support or advance the
6 legal theory of the government's case at the time of that prosecution.

7
8 (b) Documents prepared from 1998 to 2002, with respect to those
9 investment entities that were associated with one of more of defendants and
10 central to the Grand Jury investigation, including promotional material,
11 documents soliciting information from potential investors, confirmation of receipt
12 of funds statements, lists of investors, IRA transfer forms, and newsletters.
13 These documents were obtained either by Grand Jury subpoena, search
14 warrant, or provided by third parties to an agent of the Grand Jury. Disclosure of
15 these records would reveal the strategy, direction and scope of the Grand Jury
16 investigation at the time the documents were received which was ultimately
17 abandoned at prosecution because the records did not substantially support or
18 advance the legal theory of the government's case at the time of that
19 prosecution.
20

21
22 18. Box 2: Grand Jury documents in Box 2, consisting of approximately
23 1,070 pages, are being withheld in full pursuant to FOIA exemption 3 in conjunction
24 with Rule 6(e) and FOIA exemption 7A. These are categorized as follows:

25 (a) Bank records pertaining to one or more defendants obtained through
26 Grand Jury subpoena(s), Grand Jury search warrant(s), and/or from custodians
27

1 32. Box 16: Grand Jury documents in Box 16, consisting of approximately
2 2,140 pages, are being withheld in full pursuant to FOIA exemption 3 in conjunction
3 with Rule 6(e) and FOIA exemption 7A. These are categorized as follows:

4 (a) Tax records for tax years 1994-1999 pertaining to plaintiff's tax
5 preparation business that were obtained by agents of the Grand Jury through search
6 warrant or from third parties. These records relate to approximately 40 tax filers and
7 include Forms 1040, Individual Income Tax Returns, tax schedules, and related
8 documents used for tax preparation. Disclosure of these records would reveal the
9 strategy, direction and scope of the Grand Jury investigation at the time the
10 documents were received which was ultimately abandoned at prosecution because
11 the records did not substantially support or advance the legal theory of the
12 government's case at the time of that prosecution.

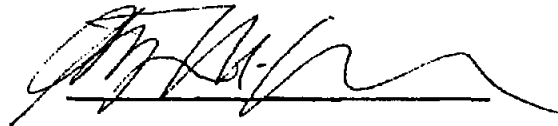
13
14 33. Box 17: Grand Jury documents in Box 17, consisting of approximately
15 2,350 pages, are being withheld in full pursuant to FOIA exemption 3 in conjunction
16 with Rule 6(e) and FOIA exemption 7A. Further, as noted below at paragraph 33(a),
17 certain documents are also being withheld in full pursuant to FOIA exemption 5 (the
18 deliberative process privilege). These are categorized as follows:

19
20 (a) Handwritten notes, prepared in 2003-2004 by agents of the Grand Jury.
21 The disclosure of these documents would threaten Grand Jury secrecy because
22 they would reveal the government's internal communications or deliberations about
23 litigation theories and strategies being contemplated during the course of the Grand
24 Jury investigation which were ultimately abandoned at prosecution because the
25 records did not substantially support or advance the legal theory of the
26

1 as they relate to the criminal investigation and prosecution of one or more
2 defendants. The release of the exhibits would threaten the secrecy of the Grand
3 Jury as the defendant would have access to Grand Jury witnesses and statements,
4 evidence the government contemplated using in the trial, but did not, and would
5 otherwise reveal the direction, scope, and limits of the Grand Jury's investigation at
6 the time the documents were generated which was ultimately abandoned at
7 prosecution because the documents did not substantially support or advance the
8 legal of the government's case at the time of that prosecution.
9

10 I declare under penalty of perjury that the foregoing is true and correct.

11 Executed on February 8, 2013 in Grand Rapids, MI.
12
13

14
15 

16 STEPHEN M. CORCORAN
17 Special Agent
18 Criminal Investigation
19 Internal Revenue Service
20 Grand Rapids, Michigan
21
22
23
24
25
26
27



U.S. Department of Justice

Margaret M. Chiara
United States Attorney
Western District of Michigan

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Grand Rapids, Michigan 49503

Mailing Address:
United States Attorneys Office
Post Office Box 208
Grand Rapids, Michigan 49501-0208

(616) 456-2404
Facsimile (616) 456-2408

March 25, 2004

Honorable Robert Holmes Bell
Chief Judge, United States District Court
110 Michigan, N.W.
Grand Rapids, MI 49503

Re: Grand Jury Investigation of Access Financial


Dear Judge Bell:

Pursuant to Rule 6(e) of the Federal Rules of Criminal Procedure, please be advised that in addition to the agencies previously named in prior correspondence directed to you, the following persons have access to review matters occurring before the Grand Jury in the above-entitled matter: Gillie W. Webb of the United States Postal Inspection Service, Erica Boerman, Darline Goeman and Stephen M. Corcoran of the Internal Revenue Service.

I have advised the above names persons of their obligation of secrecy under Federal Rule of Criminal Procedure 6(e) and have provided them with a copy of Rule 6(e). Such disclosure is necessary to assist attorneys for the Government in the performance of their duties to enforce federal criminal laws.

Sincerely,

MARGARET M. CHIARA
United States Attorney


THOMAS J. GEZON
Assistant United States Attorney

TJG/cv

cc w/encl: Gillie W. Webb
Erica Boerman
Darline Goeman
Stephen M. Corcoran

Marcusse Corcoran Exhibit A

EXHIBIT V-3

FEDERAL RULE OF CRIMINAL PROCEDURE 6(e)

Effective December 1, 2002

(e) Recording and Disclosing the Proceedings.

(1) Recording of Proceedings. Except when the grand jury is deliberating or voting, all proceedings must be recorded by a court reporter or by a suitable recording device. But the validity of a prosecution is not affected by the unintentional failure to make a recording. Unless the court orders otherwise, an attorney for the government will retain control of the recording, the reporter's notes, and any transcript prepared from those notes.

(2) Secrecy.

(A) No obligation of secrecy may be imposed on any person except in accordance with Rule 6(e)(2)(B).

(B) Unless these rules provide otherwise, the following persons must not disclose a matter occurring before the grand jury:

- (i) a grand juror;
- (ii) an interpreter;
- (iii) a court reporter;
- (iv) an operator of a recording device;
- (v) a person who transcribes recorded testimony;
- (vi) an attorney for the government; or
- (vii) a person to whom disclosure is made under Rule 6(e)(3)(A)(ii) or (iii).

(3) Exceptions.

(A) Disclosure of grand-jury matter— other than the grand jury's deliberations or any grand juror's vote— may be made to:

- (i) an attorney for the government for use in performing that attorney's duty;
- (ii) any government personnel— including those of a state or state subdivision or of an Indian tribe—that an attorney for the government considers necessary to assist in performing that attorney's duty to enforce federal criminal law; or
- (iii) a person authorized by 18 U.S.C. § 3322.

(B) A person to whom information is disclosed under Rule 6(e)(3)(A)(ii) may use that information only to assist an attorney for the government in performing that attorney's duty to enforce federal criminal law. An attorney for the government must promptly provide the court that impaneled the grand jury with the names of all persons to whom a disclosure has been made, and must certify that the attorney has advised those persons of their obligation of secrecy under this rule.

(C) An attorney for the government may disclose any grand-jury matter to another federal grand jury.

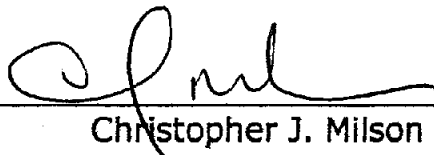
AFFIDAVIT OF FACTS CONCERNING JANET MARCUSSE

On or around 4/18/05, David M. Husted, at the time living in Nunica, MI and married to Joy Husted, informed me that AUSA Donald A. Davis had pressured him into pleading to a five to six year sentence for perjury and tax evasion because Davis as head of National Security in the Grand Rapids area, had the power to label him a "domestic terrorist" and was going to do the same to Janet Marcusse if she didn't plea out. Davis also mentioned that people might get away with not paying their taxes in places like Arkansas, but they would not get away with it here because he wins 100% of his cases.

Pursuant to 28 U.S.C. §1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on September 20th, 2010

Signed



Christopher J. Milson

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Grand Rapids Press, The (MI)

May 15, 2002

Edition: All Editions

Section: City & Region

Page: D1

Topics:

Index Terms:

Court, Decision

Tax scam leader gets 10 years

The 60-year-old woman refused to aid her defense or explain her role in encouraging others to use the scheme.

Author: *Ed White / The Grand Rapids Press*

Article Text:

A federal prosecutor said "hope sprung eternal" when Joan Anderson stood at the podium with a piece of paper.

Maybe she would explain her role in encouraging other people to write millions in worthless checks against a "secret" government account. Perhaps for the first time she would describe the reasons for her beef with the government.

Instead, Anderson asked the judge: "Do you have a claim against me?"

He does -- for the next 10 years.

The 60-year-old woman from Osceola County was sentenced Tuesday for her role in a strange conspiracy that involved at least 15 other people in northern and western Michigan.

Led by Anderson, they wrote so-called "sight drafts," insisting they could draw money off the U.S. Treasury. Many also put a scare into lawyers, judges, police -- even low-level bank employees -- by telling the Internal Revenue Service they had made cash transactions of more than \$10,000 with the officials and bank workers.

The deals were bogus, but the Form 8300 reports to the IRS triggered inquiries from the tax agency. The confusion was cleared up, but the victims were frustrated and intimidated by IRS letters seeking more information.

Although no weapons were involved, Assistant U.S. **Attorney Don Davis** said it was "domestic terrorism."

"The whole purpose of this scheme was to affect government operations. ... This was their way of attacking the government," Davis told U.S. Chief District Judge Robert Holmes Bell. "She left misery and destruction."

In December, Anderson and 11 co-defendants were convicted in federal court in Grand Rapids after an unusual two-week trial.

Nine of them regularly skipped trial, deciding to sit in a cell a floor above Bell's courtroom. They rarely talked to their court-appointed lawyers.

When it was time to seek mercy for Anderson, defense **attorney** Larry Phelan couldn't say much because she didn't cooperate with him.

"Beyond this facade is a pleasant woman. I hope the (prison) time goes fast for her," Phelan told the judge.

Anderson refused to answer Bell's questions about her roots and her family status and demanded to be released on bond.

"I'm not here on my own free will," she said, moments before she heard the sentence. The 10-year punishment was a month short of the maximum.

It was enhanced for several reasons, including Anderson's leadership role, the purported value of the checks, her extensive planning and her "reprehensible interference" at trial, the judge said.

Anderson was the trial's fourth defendant to be sentenced. Her common-law husband, Art Modderman, is up next week.

Others convicted with them: Phillip "P.J." Hammond of Grandville, Rodger Yates of Jenison, Dewey Metcalf Sr. and Dewey Metcalf Jr. of Six Lakes, Frank Sagorski of Howard City, Brian Carney of Kentwood, Susan Sloboda of Marne, Ruth and Jack Shriver of Fremont and Robert Goodwin Jr. of Marne.

A year ago, in a related case, four other people influenced by Anderson pleaded guilty.

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Record Number: 0390236128

Topics:

Index Terms:

Court; Decision

What a drag it is facing time in prison

A man sentenced for his role in a fraud and harassment scheme had to be dragged before the judge.

Author: *Ed White / The Grand Rapids Press*

Article Text:

Phillip "P.J." Hammond was literally dragged to justice. He could be the first convict to leave the federal courthouse with rug burns. The rebellious Grandville man refused to walk to the podium to hear his punishment Tuesday in a bizarre case of government contempt, phony checks and harassment of public officials.

So two deputy marshals were forced to yank the beefy man out of his chair and pull him along the floor like a bulky bale of hay.

Hammond was flat on his belly as U.S. Chief District Judge Robert Holmes Bell sent him to prison for nine years.

Hammond, 44, has "great bitterness and hatred for government and anyone in authority," said Bell, who called him a "threat to the stability" of the country.

Hammond's only comment: "Do you have a claim against me?"

He and 11 others were convicted in December. They wrote, or encouraged others to write, worthless so-called "sight drafts," insisting they could draw money off the U.S. Treasury.

They also put a scare into lawyers, judges, police and other officials by saying the government officials made cash transactions of more than \$10,000 with them.

The deals were false, but the reports to the Internal Revenue Service triggered inquiries from the tax agency. The victims were frustrated and intimidated by IRS letters seeking more information.

Assistant U.S. Attorney **Don Davis** noted that Hammond wrote a \$250,000 phony check to the Make-A-Wish Foundation, payable through the prosecutor.

"He has to take after children who are disabled," Davis said. "He stands for nothing. He's an economic **terrorist**."

On Monday, co-conspirator Art Modderman of northern Michigan's Osceola County was sentenced to eight years in prison and barred from contacting government officials without approval from a probation officer. Bell also suggested a one-way ticket to an oppressive country.

"If you wish to emigrate to Iraq or to Cuba, perhaps you'll be happier in those places than you are here in the United States," the judge said. "And perhaps if you go to those locations, that will (make) room for someone else to come to America."

The comment stirred no reaction from Modderman, 64, who moments earlier asked, "Am I the creditor in this bankruptcy?"

Defense attorney Anthony Valentine said Modderman believes society is governed by the Uniform Commercial Code, a set of rules covering commercial agreements between parties.

"I know that's undermined by the victims that they chose," Valentine said.

He told his client it was a "golden opportunity" to admit the scheme was "ridiculous," but Modderman declined. A companion, Joan Anderson, was sentenced to 10 years in prison last week.

Modderman has "absolutely wasted his life. ... He's a dangerous man," Davis said.

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Record Number: 0390237951

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/22/2004

[redacted] (Protect Identity), date of birth [redacted]
 telephone numbers: residence telephone number [redacted]
 cellular telephone number [redacted]

[redacted] was engaged in a series of continuous contacts with
 Special Agent (SA) [redacted] over the period of time from approximately

[redacted] who is
 represented by attorney [redacted] had been advised by his
 attorney to cooperate with SA [redacted] in light of the fact that he
 was facing federal felony charges on a fraud matter of which he is
 named one of the defendants. [redacted] history for reporting
 reliability is considered somewhat credible based upon his past
 cooperation with law enforcement. Additionally, [redacted] is known
 among law enforcement for having a very chameleon-like personality
 in that he can integrate well with various groups and individuals.
 Currently [redacted] has been associating with anti-government and
 tax protestor type individuals. During the numerous face to face
 and telephonic conversations that occurred between [redacted] and SA
 [redacted] provided the following:

[redacted] indicated that he could provide detailed
 information that would lead to the arrest of [redacted] who
 was involved in the Access Financial Ponzi and tax avoidance scheme
 of which Janet Marcusse has been the leader. FBI agents from the
 Tampa Bay Division had made attempts to contact [redacted] at his
 father and brother's houses in Florida, where [redacted] had been
 residing. [redacted] relayed to SA [redacted] that after these attempted
 contacts, communications had been made between [redacted] and the
 Virginia Militia, led by a Colonel [redacted] (phonetic) who were on
 their way to pick [redacted] up in Florida. According to [redacted]
 they planned on bringing [redacted] back to Virginia and place him in
 their "underground railroad." [redacted] then indicated that [redacted]
 had moved to the Gardenview Motel, Room 101, telephone number (813)
 933-3958. Shortly after [redacted] arrest, [redacted] confirmed that
 he had heard through the network that [redacted] was arrested by the
 FBI with his bags packed ready to leave just shortly prior to his
 scheduled pick up time by the Virginia Militia.

[redacted] also indicated that the same militia group
 picking up [redacted] were gearing up for the declaration of martial
 law because the elections would never be allowed to happen. He had
 no further details on this particular statement, but stated that he
 would attempt to develop more information on this topic. No
 further information came regarding this topic from [redacted]

b6
 b7C
 b7D

Investigation on 09/27-10/18/2004 at Grand Rapids, Michigan

File # 196D-DE-90514 (357sjm01.302)

Date dictated 12/22/2004

by SA [redacted]

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

EXHIBIT Z-3

196D-DE-90514

Continuation of FD-302 of [redacted]

, On 09/27-10/18/2004 , Page 2

[redacted] stated that he could provide information on a fugitive, who is currently living in Mexico. [redacted] provided [redacted] current address:

[redacted] Jalisco, Mexico, telephone number: [redacted] extension [redacted] email address: [redacted] cellular telephone number: [redacted] and the website for the bed and breakfast: [redacted]

[redacted] stated that he had sent [redacted] Apistille papers to [redacted] at a mail drop at [redacted] Laredo, Texas 78045 and indicated [redacted] girlfriend as being as [redacted] Bracketville, Texas 78832.

[redacted] also indicated that [redacted] daughter was supposed to be getting married in the October 2004 time frame.

[redacted] stated that [redacted] has assisted him on obtaining much of the information that he has provided to SA [redacted]

[redacted] also explained during conversations with SA [redacted] that the anti-government types ranging from the site draft writers and the tax protestors to the fraud schemers and the anti-government militia groups are all looking to cause and see the collapse of the United States government and its related systems, such as the court and banking systems. According to [redacted] they are looking to cause overloads with their numerous court filings, Uniform Commercial Code (UCC) filings on law enforcement and government officials, investment fraud and site draft schemes and any other way they can overload the system using the bureaucracy against itself. He also stated that to these groups it is not a question of if the government will collapse and anarchy will follow, it is more a question of when.

b6
b7C
b7D

Enclosed in a 1A envelope is one of [redacted] business cards that [redacted] provided to SA [redacted] that had printed on it: Casa Tres Leones/Bed and Breakfast Ajijic. [redacted]

Email: [redacted]
Jalisco, Mexico telephone [redacted] Email: [redacted]

Also enclosed in a 1A envelope is a list that [redacted] provided to SA [redacted] titled, [redacted]. In this document, [redacted] lists 15 individuals, topics or groups of people who he can provide information on that he believes the government has cases on or is interested in. The names are: [redacted]

[redacted]