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CLERK U.S. DISTRICT COURT
NORTHERN DISTRICT OF OHIO
TOLEDO

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
WESTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

JOHN RICHARD JAMIESON,
JAMES A. CAPWILL
TEDDY BRINDLE
I.B. BUTLER,
MICHAEL FILIPPONE,
SCOTT JACKSON,
MICHAEL KASTEN,
JAESON KRUG,
DARLENE LAUDERDALE
ROBERT LEONBERGER,
RONALD MESHEY,
RICHARD NELSON,
TREVOR PALMER,
ORRETT RICKETTS,
LINSEY SAVAGE,
WILLIAM SCHADE,
RICHARD SISSON,

Defendants.

INDICTMENT

3 · 02 CR 707

Cr. No. _____
Title 18, United States Code,
Sections 371, 1956, 1957,
1623, 982, and 2

COUNT 1
CONSPIRACY TO DEFRAUD INSURANCE COMPANIES AND INVESTORS

The Grand Jury charges that:

INTRODUCTION

At all relevant times herein:

1. Defendant JOHN RICHARD JAMIESON owned and operated Liberte Capital Group, Inc. and Liberte Capital Group, LLC, (also “Liberte Capital Group” or “Liberte Capital”) viatical settlement companies headquartered in Sylvania, Ohio and/or in Toledo, Ohio.
2. Defendant JAMES A. CAPWILL owned and operated Viatical Escrow Services, LLC (also “Viatical Escrow Services” and “VES”) an Ohio limited liability company that acted as an escrow agent for viatical settlement companies, including Liberte Capital Group. Defendant CAPWILL also owned and operated Capwill & Company, Inc., an Ohio corporation that provided financial accounting services and tax preparation services.
3. Defendant TEDDY BRINDLE was a viator who created and used false applications for life insurance to fraudulently obtain five life insurance policies from four different life insurance companies, then sold the policies to Liberte Capital Group.
4. Defendant I.B. BUTLER was a viator who created and used false applications for life insurance to fraudulently obtain five life insurance policies from five different life insurance companies, then sold the policies to Liberte Capital Group.
5. Defendant MICHAEL FILIPPONE was a viator who created and used false applications for life insurance to fraudulently obtain five life insurance policies from five different life insurance companies, then sold the policies to Liberte Capital Group.

6. Defendant SCOTT JACKSON was a viator who created and used false applications for life insurance to fraudulently obtain eight life insurance policies from eight different life insurance companies, then sold the policies to Liberte Capital Group.

7. Defendant MICHAEL KASTEN was a viator who created and used false applications for life insurance to fraudulently obtain five life insurance policies from five different life insurance companies, then sold the policies to Liberte Capital Group.

8. Defendant JAESON KRUG was a viator who created and used false applications for life insurance to fraudulently obtain seven life insurance policies from seven different life insurance companies, then sold the policies to Liberte Capital Group.

9. Defendant DARLENE LAUDERDALE was a viator who created and used false applications for life insurance to fraudulently obtain five life insurance policies from five different life insurance companies, then sold the policies to Liberte Capital Group.

10. Defendant ROBERT LEONBERGER was a viator who created and used false applications for life insurance to fraudulently obtain eight life insurance policies from eight different life insurance companies, then sold the policies to Liberte Capital Group.

11. Defendant RONALD MESHEY was a viator who created and used false applications for life insurance to fraudulently obtain five life insurance policies from four different life insurance companies, then sold the policies to Liberte Capital Group.

12. Defendant RICHARD NELSON was a viator who created and used false applications for life insurance to fraudulently obtain five life insurance policies from five different life insurance companies, then sold the policies to Liberte Capital Group.

13. Defendant TREVOR PALMER was a viator who created and used false applications for life insurance to fraudulently obtain six life insurance policies from six different life insurance companies, then sold the policies to Liberte Capital Group.

14. Defendant ORRETT RICKETTS was a viator who created and used false applications for life insurance to fraudulently obtain nine life insurance policies from nine different life insurance companies, then sold the policies to Liberte Capital Group.

15. Defendant LINSEY SAVAGE was a viator who created and used false applications for life insurance to fraudulently obtain five life insurance policies from four different life insurance companies, then sold the policies to Liberte Capital Group.

16. Defendant WILLIAM SCHADE was a viator who created and used false applications for life insurance to fraudulently obtain five life insurance policies from five different life insurance companies, then sold the policies to Liberte Capital Group.

17. Defendant RICHARD SISSON was a viator who created and used false applications for life insurance to fraudulently obtain six life insurance policies from six different life insurance companies, then sold the policies to Liberte Capital Group.

18. Stacey Tate was a co-conspirator and employee (Office Manager and Operations Manager) of Liberte Capital responsible for negotiating the purchase of life insurance policies from viators and seniors.

19. Deborah Bartoe was a co-conspirator and employee (Contracts Manager) of Liberte Capital responsible for obtaining and assembling records necessary for Liberte Capital to evaluate a life insurance policy offered for sale. These records typically included a copy of the policy application, the policy, viator medical records and viator life expectancy reports.

20. Deborah Rhoades was a co-conspirator who owned and operated Viatical Clearing House, Inc., a policy brokering company through which Deborah Rhoades brokered the sale of seventy-two (72) fraudulently obtained life insurance policies to Liberte Capital Group.

21. Jeffrey Ploskonka was a co-conspirator/viator who sold to Liberte Capital Group, LLC, seven life insurance policies he had fraudulently obtained from seven different life insurance companies.

22. A Viator was a terminally ill person who had a life insurance policy he/she was willing to sell for a sum less than the face value (also known as the death benefit) of the policy.

23. A Viatical Settlement or Viatical was the discounted, pre-death sale of an existing life insurance policy on the life of a person known to have a terminal condition.

24. A Senior Settlement was the discounted, pre-death sale of an existing life insurance policy on the life of a person who is usually aged 65 or older and who may or may not have a terminal condition.

25. A Settlement Company or Funding Company was a business that bought life insurance policies from viators and/or from seniors at a discount, then marketed the policies to investors. A settlement company typically paid itself fees, commissions or bonuses based on a percentage of the total amount of funds investors invested in each policy.

26. A Policy Broker was an individual or company that marketed life insurance policies to viatical settlement companies on behalf of viators and/or seniors. The Policy Broker usually negotiated a fee or commission based on a percentage of the sum a settlement company paid for each policy or on the face value of the policy.

27. A Sales Representative or Sales Agent was an individual or company a settlement company retained to market viatical settlements and senior settlements to investors. Sales representatives were usually independent contractors and received a fee or commission on each policy he or she successfully marketed to investors.

28. An Escrow Agent was an individual or company a settlement company retained to act as a fiduciary for funds invested in a viatical settlement or a senior settlement. The escrow agent had a fiduciary duty to investors who supplied the funds and was typically responsible for collecting and holding investor funds, for using investor funds to pay the premiums due on viatical settlement or senior settlement policies, for disbursing funds to viators, for disbursing fees or commissions to policy brokers, sales representatives, and settlement companies, for corresponding with insurance companies, and for effecting changes in the ownership and/or beneficiary(s) of each policy.

29. A Contestability Period was the two year period of time immediately after a life insurance company issued a life insurance policy during which state law allowed a life insurance company to investigate the circumstances under which it issued a life insurance policy and to contest a claim for the payment of life insurance benefits. In the viatical investment industry, a life insurance policy still within the contestability period is called a contestable or non-conforming or non-traditional policy. Policies older than two years from issuance are called noncontestable or traditional or conforming policies. Some state contestability laws required insurance companies to pay death benefit claims for noncontestable policies even if an insurance company determined the policy had been obtained through fraud. Some state contestability laws allowed an insurance company to challenge payment of death benefits for fraud after two years.

THE CONSPIRACY

30. From in or about December 1996 and continuing through in or about May 2000, in the Northern District of Ohio, Western Division, and elsewhere, defendants JOHN RICHARD JAMIESON, JAMES A. CAPWILL, TEDDY BRINDLE, I.B. BUTLER, MICHAEL FILIPPONE, SCOTT JACKSON, MICHAEL KASTEN, JAESON KRUG, DARLENE LAUDERDALE, ROBERT LEONBERGER, RONALD MESHEY, RICHARD NELSON, TREVOR PALMER, ORRETT RICKETTS, LINSEY SAVAGE, WILLIAM SCHADE, and RICHARD SISSON knowingly and willfully conspired and agreed together and with individuals known and unknown to the Grand Jury, to devise and execute a scheme and artifice to: (1) defraud life insurance companies throughout the United States; and (2) defraud investors throughout the United States, and for obtaining money by means of false and fraudulent pretenses, representations, omissions and promises from: (1) life insurance companies throughout the United States; and (2) investors throughout the United States, and with respect to said investors to also deprive them of the intangible right of honest services of an independent escrow agent, and in furtherance thereof, knowingly and unlawfully caused to be placed in and/or delivered by United States mail or by private or commercial interstate carrier, among other items, false applications for life insurance policies, life insurance policies, payments for premiums due on life insurance policies, correspondence with life insurance companies, checks from investors, executed investor contracts, correspondence with investors, and sale proceeds, fees or commission payments to viators, brokers and sales representatives, in violation of Title 18, United States Code, Sections 1341 and 1346.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants and their co-conspirators sought to accomplish the two objectives of the above-described conspiracy were as follows:

31. It was part of the conspiracy that the defendant-viators and other co-conspirator viators submitted to life insurance companies throughout the United States applications for life insurance policies with one or more false material statements, among them that the applicant had not been diagnosed as being HIV-positive (hereinafter “HIV+”) prior to the date of the application, the applicant had not been diagnosed as having AIDS prior to the date of the application, the applicant had not been diagnosed as having AIDS-Related Complex prior to the date of the application, and that the applicant had not seen a physician or had not been hospitalized for a specified period of time – usually at least several years – prior to the date of the application.

32. It was further part of the conspiracy that the viator-defendants and other co-conspirator viators usually submitted false policy applications for life insurance policies whose death benefits were \$100,000 or less because insurance companies issued these policies in reliance on the applicants’ answers to questions in the policy applications and did not require the applicants to undergo a physical examination and/or blood testing.

33. It was further part of the conspiracy that the viator-defendants sold their fraudulently obtained policies to Liberte Capital Group, knowing that Liberte Capital Group would market the policies as investments without informing potential investors the policies had been fraudulently obtained.

34. It was further part of the conspiracy that defendant JOHN RICHARD JAMIESON caused Liberte Capital Group to purchase hundreds of life insurance policies from the defendant-viators and from other co-conspirator viators knowing these viators had fraudulently obtained the life insurance policies by making false statements on the application for each policy.

35. It was further part of the conspiracy that when communicating by mail and otherwise with life insurance companies to arrange ownership changes, beneficiary changes, premium payments, and other matters, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL used VES as the trustee, owner or beneficiary of, and to communicate about, non-contestable policies and used Capwill & Co. as the trustee, owner or beneficiary of, and to communicate about, contestable policies in order to conceal from life insurance companies that the contestable policies had been viaticated and to prevent the life insurance companies from investigating the circumstances surrounding the issuance of the contestable policies, including that a substantial number had been issued in reliance on materially false applications.

36. It was further part of the conspiracy that defendant JOHN RICHARD JAMIESON recruited and contracted with sales representatives for Liberte Capital Group.

37. It was further part of the conspiracy that defendant JOHN RICHARD JAMIESON created marketing and promotional material for Liberte Capital Group, including brochures and sample contracts and caused this material to be mailed to Liberte Capital Group sales representatives.

38. It was further part of the conspiracy that defendant JOHN RICHARD JAMIESON directed the sales representatives to market Liberte Capital Group viatical settlements and senior settlements to potential investors using the marketing/promotional material defendant JOHN RICHARD JAMIESON created.

39. It was further part of the conspiracy that defendant JOHN RICHARD JAMIESON caused Liberte Capital Group to market its viatical settlements and senior settlements as socially conscious humanitarian investments which would provide needed end-of-life funds for terminal individuals who had a single life insurance policy, when, in fact, Liberte Capital Group purchased over one-fifth of its policies from approximately 32 individuals, each of whom sold Liberte Capital Group five or more fraudulently obtained life insurance policies, and to six of whom Liberte Capital Group paid \$100,000 or more, including viators whom Liberte Capital Group paid approximately \$306,000, \$436,200 and \$1,053,000, respectively.

40. It was further part of the conspiracy that defendant JOHN RICHARD JAMIESON caused Liberte Capital Group to market its viatical settlements and senior settlements as socially conscious humanitarian investments which would provide needed end-of-life funds for terminal individuals who had a single life insurance policy, when, in 1998 alone, defendant JOHN RICHARD JAMIESON caused Liberte Capital Group to pay its viators approximately \$16,545,000, to pay itself approximately \$22,000,000 in commissions and bonuses, to pay its policy brokers approximately \$4,975,000 in commissions, and to pay its sales representatives approximately \$6,746,000 in commissions, thereby causing the total commissions paid in 1998 to be approximately twice the amount paid to viators.

41. It was further part of the conspiracy that to induce potential investors to invest in Liberte Capital Group's viatical settlements and senior settlements, defendant JOHN RICHARD JAMIESON created for Liberte Capital Group promotional material and investor contracts (also called Agency Agreement and Special Power of Attorney Appointment) which set out certain risks associated with investing in Liberte Capital Group's viatical settlements but did not inform potential

investors of the material risk that a large portion of Liberte Capital Group's viatical settlements involved life insurance policies the viator had fraudulently obtained and that such policies, if contestable, could be rescinded with the consequent loss of all the investor's funds.

42. It was further part of the conspiracy that to induce potential investors to invest in Liberte Capital Group's viatical settlements and senior settlements, defendant JOHN RICHARD JAMIESON created for Liberte Capital Group promotional material and investor contracts which falsely promised investors that Liberte Capital Group would:

(a) use an independent escrow agent to hold and maintain in a single escrow account premium reserves in amounts sufficient to pay premiums on each policy for two (2) times the insured's estimated remaining life expectancy when, in fact: (1) defendants JOHN RICHARD JAMIESON and JAMES A. CAPWILL knowingly caused and/or allowed Liberte Capital Group, LLC to escrow substantially less than the amount promised for contestable viatical settlements and for senior settlements and intentionally underfunded the Liberte Capital premium escrow account by approximately \$36,000,000 in 1998 alone;

(b) enter into escrow agreements with an independent escrow agent with whom Liberte Capital Group had no involvement other than a contractual escrow agreement, when, in fact, defendant JOHN RICHARD JAMIESON caused Liberte Capital Group, LLC to enter into an escrow agreement with Viatical Escrow Services, Inc., during which: (1) defendant JAMIESON and defendant CAPWILL had an oral agreement whereby defendant CAPWILL was authorized to invest a portion of defendant JAMIESON's profits from the operation of Liberte Capital Group and would receive a substantial portion of the net profits from these investments; (2) defendant JAMIESON had executed a power of attorney giving defendant CAPWILL full authority to conduct the business

affairs of EJT Management, LLC, dba RJ Management, a company defendant JAMIESON created and used for personal investment purposes; (3) defendant CAPWILL had signatory authority on the RJ Management bank account and the employees of VES maintained the RJ Management bank account; (4) defendant JAMIESON routinely directed one or more employees of VES to disburse funds from the RJ Management bank account to himself or for his benefit; (5) Viatical Escrow Services maintained an operating account of Liberte Capital Group; and (6) defendant JAMIESON employed defendant CAPWILL to prepare defendant JAMIESON'S personal and corporate income tax returns;

(c) only place investor funds in viatical settlements or senior settlements in which the insured had a life expectancy of not longer than 60 months when, in fact, defendant JOHN RICHARD JAMIESON caused Liberte Capital Group to buy approximately seventy-one (71) senior life insurance policies whose insureds had life expectancies greater than five years and further caused Liberte Capital Group to place the funds of hundreds of investors in these policies.

43. It was further part of the conspiracy that instead of funding its premium reserve escrow account with funds sufficient to pay premiums on a particular life insurance policy for twice the life expectancy of the insureds, defendant JOHN RICHARD JAMIESON caused Liberte Capital Group to use investor funds to pay itself a ten percent (10%) commission and a separate bonus of as much as ten percent (10%) of the amount of investor funds placed in each policy.

44. It was further part of the conspiracy that defendants JOHN RICHARD JAMIESON and JAMES A. CAPWILL used Capwill & Company, with which Liberte Capital did not have an escrow agent contract, as trustee, owner, or beneficiary of contestable life insurance policies without informing investors.

45. It was further part of the conspiracy that defendant JAMES A. CAPWILL created and mailed to Liberte Capital sales representatives and investors a brochure: (1) falsely stating that Viatical Escrow Services would escrow funds sufficient to pay premiums on policies for two times the remaining life expectancy of each insured; and (2) falsely stating that Viatical Escrow Services would act as a fiduciary for the investors of Liberte Capital.

46. It was further part of the conspiracy that after the State of Ohio Department of Commerce, Securities Division informed defendant JOHN RICHARD JAMIESON and Liberte Capital Group in October 1998 and November 1998 that viatical settlements were securities under the Ohio Securities Act and that Liberte Capital could not market viatical settlements unless Liberte Capital registered as a securities dealer, defendant JOHN RICHARD JAMIESON did not inform potential investors of this action by the Ohio Department of Commerce, but, instead, directed Liberte Capital Group to continue to solicit investor funds and to buy more than thirty-five (35) life insurance policies in which it placed investor funds.

47. It was further part of the conspiracy that after life insurance companies began rescinding Liberte Capital Group's life insurance policies, defendant JOHN RICHARD JAMIESON directed the employees of Liberte Capital Group to substantially delay informing investors that the policies securing their investments had been rescinded.

48. It was further part of the conspiracy that after life insurance companies began rescinding Liberte Capital Group's life insurance policies, defendant JOHN RICHARD JAMIESON directed employees of Liberte Capital Group to transfer the investment interest of some affected investors to different life insurance policies without informing the investors in advance, and in a manner that reduced the potential pay-out to these investors. Defendants JAMIESON and CAPWILL

had intentionally underfunded the premium escrow account for many of the policies into which defendant JAMIESON shifted the affected investors.

49. It was further part of the conspiracy that after life insurance companies began rescinding Liberte Capital Group's life insurance policies, defendant JOHN RICHARD JAMIESON caused Liberte Capital Group to send letters to its investors designed to prevent investors from contacting governmental authorities.

50. It was further part of the conspiracy that after life insurance companies began rescinding Liberte Capital Group's life insurance policies, defendant JOHN RICHARD JAMIESON, to discourage investors from filing lawsuits against him and Liberte Capital Group to recover their investments, which lawsuits could reveal the fraud on insurance companies and investors, falsely represented to Liberte Capital Group investors that he had no assets available to pay them.

51. It was further part of the conspiracy that the defendants and their co-conspirators took additional steps to conceal the existence, purpose and acts done in furtherance of the conspiracy.

52. It was further part of the conspiracy that defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL used the material misrepresentations and material omissions described above to induce approximately 2,850 investors from around the United States to invest approximately \$105,000,000 with Liberte Capital Group.

OVERT ACTS

In furtherance of the conspiracy, and to effectuate the objects thereof, the defendants committed, among other acts, the following overt acts in the Northern District of Ohio and elsewhere:

53. On or about April 25, 1997, defendant JOHN RICHARD JAMIESON, as Managing Director of Liberte Capital Group, executed an Escrow Agreement with Viatical Escrow Services, LLC.

54. On or about various dates known and unknown to the Grand Jury but commencing on or about April 25, 1997, defendant JAMES A. CAPWILL, when communicating by mail and otherwise with life insurance companies to arrange ownership changes, beneficiary changes, premium payments, and other matters, used VES as the trustee, owner or beneficiary of, and to communicate about, non-contestable policies and used Capwill & Co. as the trustee, owner or beneficiary of, and to communicate about, contestable policies in order to conceal from life insurance companies that the contestable policies had been viaticated and to prevent the life insurance companies from investigating the circumstances surrounding the issuance of the contestable policies, including that a substantial number had been issued in reliance on materially false applications.

55. On or about various dates known and unknown to the Grand Jury but commencing on or about April 25, 1997, defendant JAMES A. CAPWILL, mailed to Liberte Capital sales representatives and investors a brochure: (1) falsely stating that Viatical Escrow Services would escrow funds sufficient to pay premiums on policies for two times the remaining life expectancy of each insured; and (2) falsely stating that Viatical Escrow Services would act as a fiduciary for the investors of Liberte Capital.

56. On or about various dates in 1997 and 1998, defendant JOHN RICHARD JAMIESON falsely stated to the owner of Principal Resources, Inc., a company Liberte Capital Group used to recruit and coordinate sales representatives, that Liberte Capital Group reviewed every policy to determine if it had been obtained by fraud and that Liberte Capital would not buy or market as an investment any policy obtained by fraud.

57. On or about January 2, 1998, defendant JOHN RICHARD JAMIESON incorporated Liberte Capital Group, LLC as a Ohio Limited Liability Corporation.

58. On or about January 2, 1998, defendant JOHN RICHARD JAMIESON incorporated EJT Management, LLC as an Ohio Limited Liability Corporation with Defendant JAMES A. CAPWILL as Statutory Agent.

59. On or about January 2, 1998, defendant JOHN RICHARD JAMIESON incorporated EJT Properties, LLC as an Ohio Limited Liability Corporation with Defendant JAMES A. CAPWILL as its Statutory Agent.

60. On or about January 2, 1998, defendant JOHN RICHARD JAMIESON incorporated Portfolio Liquidation Services, Inc., an Ohio corporation, with defendant JAMES A. CAPWILL as its statutory agent.

61. On or about February 2, 1998, defendant JOHN RICHARD JAMIESON converted Liberte Capital Group, Inc. to Liberte Capital Group, LLC.

62. On or about March 1, 1998, defendant JOHN RICHARD JAMIESON executed a power of attorney giving defendant JAMES A. CAPWILL full authority to conduct the business affairs of EJT Management, LLC dba RJ Management, a company defendant JAMIESON used to invest his profits from Liberte Capital Group.

63. On or about dates known and unknown to the Grand Jury but beginning on or about March 1, 1998, defendant JAMES A. CAPWILL conducted business affairs of EJT Management, LLC dba RJ Management pursuant to a power of attorney defendant JOHN RICHARD JAMIESON executed, each instance of conducting the business affairs of EJT Management, LLC dba RJ Management being a separate overt act in furtherance of the conspiracy.

64. On or about March 27, 1998, defendant JOHN RICHARD JAMIESON, at a conference in Carmel, Indiana, to recruit additional sales representatives, falsely stated to current and prospective sales representatives that Liberte Capital placed in escrow investor funds sufficient to pay the premiums on each contestable life insurance policy for twice the life expectancy of the insured.

65. On or about March 27, 1998, defendant JOHN RICHARD JAMIESON, at a conference in Carmel, Indiana, to recruit additional sales representatives for Liberte Capital Group, falsely stated to current and prospective sales representatives that Liberte Capital reviewed contestable life insurance policies to determine if they had been fraudulently obtained and would not buy or market a fraudulently obtained policy.

66. On or about June 19, 1998, an employee of Viatical Escrow Services faxed to defendant JOHN RICHARD JAMIESON a list of due diligence procedures for Viatical Escrow Services which included Viatical Escrow Services escrowing funds sufficient to pay premiums for only one and one-half times the insured's remaining life expectancy, and using Capwill & Co. letterhead when contacting insurance companies about contestable policies and Viatical Escrow Services letterhead when contacting insurance companies about noncontestable policies.

67. On or about June 25, 1998, defendant JOHN RICHARD JAMIESON wrote a letter to Liberte investors that stated that “[a]s of June 25, 1998, regarding Liberte Capital Group’s experience on the Non-Conforming product, no funder has ever lost any principal since 1993 when Liberte Capital Group was founded. In addition, none of the more than 600 viators with which Liberte has done business has committed suicide. In light of these facts, Liberte Capital Group believes that Non-Conforming viaticals offer good financial potential with low risk.”

68. On or about September 10, 1998, defendant JOHN RICHARD JAMIESON wrote a letter to a Liberte Capital sales representative falsely stating that Liberte Capital was not placing investor funds into “Old Age” or senior policies instead of returning money to investors and falsely stating that Liberte Capital did not buy senior policies.

69. On or about September 22, 1998, co-conspirator Deborah Bartoe transmitted a fax to Liberte Capital policy brokers stating that Liberte Capital would not buy contestable life insurance policies from the listed life insurance companies.

70. On or about November 5, 1998, an employee of Viatical Escrow Services faxed a letter to Ron James, a life insurance agent in Glenbrook, Nevada, which stated that because Mr. James had disclosed to the Transamerica Insurance Company that a Transamerica policy insuring the life of Irving Aren had been viaticated, Liberte Capital, Viatical Escrow Services and Capwill & Company would not accept this policy as a viatical investment.

71. On or about November 11, 1998, co-conspirator Stacey Tate wrote a memorandum to defendant JOHN RICHARD JAMIESON which stated that defendant JAMES A. CAPWILL had informed her his (CAPWILL’S) mail was being watched because the Southwestern Insurance Company of Dallas, Texas was investigating policy ownership changes involving Capwill &

Company and that “it is mail fraud because the check that they received went through the mail system (even though it was UPS).”

72. On or about a date unknown to the Grand Jury but believed to be in December 1998, defendant JOHN RICHARD JAMIESON directed the employees of Liberte Capital Group to remove from the files of Liberte Capital Group all applications for life insurance policies and to destroy them.

73. On or about a time unknown to the Grand Jury but believed to be in December 1998, the employees of Liberte Capital Group, acting at the direction of defendant JOHN RICHARD JAMIESON, removed from the files of Liberte Capital all applications for life insurance policies and destroyed them.

74. On or about various dates unknown to the Grand Jury defendant JOHN RICHARD JAMIESON programmed the computer of co-conspirator Stacey Tate, Operations Manager of Liberte Capital, to calculate the funds to be placed in the Premium Reserve Escrow Account for noncontestable life insurance policies at 1.75 times the life expectancy of the insureds rather than to calculate the funds to be placed in the Premium Reserve Escrow Account at the rate of twice the life expectancy of the insured as was required by the contract between Liberte Capital Group and its investors.

75. On or about various dates unknown to the Grand Jury defendant JOHN RICHARD JAMIESON programmed the computer of co-conspirator Stacey Tate, Operations Manager of Liberte Capital, to calculate the funds to be placed in the Premium Reserve Escrow Account for contestable life insurance policies at 1.5 times the life expectancy of the insureds, and at lower rates, rather than to calculate the funds to be placed in the Premium Reserve Escrow Account at the rate

of twice the life expectancy of the insured as was required by the contract between Liberte Capital Group and its investors.

76. On or about a date unknown to the Grand Jury but believed to be approximately in or about December 1998, defendant JOHN RICHARD JAMIESON programmed the computer of co-conspirator Stacey Tate, Operations Manager of Liberte Capital, to calculate the funds to be placed in the Premium Reserve Escrow Account for senior life insurance policies at the rate of 1.0 times the contestable period remaining on the life insurance policy rather than at the rate of twice the life expectancy of the insured as was required by the contract between Liberte Capital Group and its investors.

77. On or about April 6, 1999, co-conspirator Stacey Tate issued a memorandum to Liberte Capital Group employees which contained a list of policies insurance companies had rescinded and into which Liberte Capital Group had placed \$6,390,276 of investor funds and stated that defendant JOHN RICHARD JAMIESON planned to reallocate the investors from the rescinded policies into other policies but directed the Liberte Capital Group employees not to inform Liberte Capital Group investors or sales agents about this.

78. On or about June 30, 1999, at the direction of defendant JOHN RICHARD JAMIESON, Liberte Capital Group mailed to its investors a letter placing the blame for the failure of the Liberte Capital Group investment program on an embezzlement of funds by defendant JAMES A. CAPWILL and on a new policy by the State of Ohio's Department of Commerce, Securities Division that viaticals are securities, a position which reduced the liquidity of the market for reselling contestable viatical interests.

79. On or about August 27, 1999, defendant JOHN RICHARD JAMIESON caused Liberte Capital Group to send a letter to its sales representatives stating that “it is also important to remind everyone that contacting an insurance company to verify payments being made could jeopardize that particular policy. Furthermore, it could jeopardize all the policies Viatical Escrow Services is Owner/Trustee on with that company.”

80. On or about December 1, 1999, at the direction of defendant JOHN RICHARD JAMIESON, Liberte Capital Group mailed to its investors a letter falsely stating that Liberte Capital Group had “obtained a written financing commitment sufficient to satisfy all overdue obligations to its investors.”

81. On or about January 10, 2000, at the direction of defendant JOHN RICHARD JAMIESON, Liberte Capital Group placed on its telephone investor hotline a message advising them not to contact life insurance companies and demanding that any investor currently contacting life insurance companies stop doing so.

82. On or about January 21, 2000, at the direction of defendant JOHN RICHARD JAMIESON, Liberte Capital Group placed on its telephone investor hotline a message advising Liberte Capital Group investors that they would place their investments at risk by filing lawsuits against Liberte Capital Group and stating that Liberte Capital Group might declare bankruptcy if investors sued Liberte Capital Group.

83. On or about February 1, 2000, defendant JOHN RICHARD JAMIESON sent a letter to a Liberte Capital Group sales representative in which he falsely stated that “all of my assets have been mortgaged or encumbered in order to access the capital necessary to pay for the legal expenses that have been incurred as a result of my fight on your behalf and your clients.”

84. On or about February 7, 2000, defendant JOHN RICHARD JAMIESON sent a letter to the individual who coordinated most of Liberte Capital Group's sales representatives which falsely stated that defendant JAMIESON's personal and business resources were nearly depleted and that without fund raising he would have to declare bankruptcy.

85. On or about April 25, 2000, defendant JAMES A. CAPWILL faxed a letter to defendant JOHN RICHARD JAMIESON in which he advised defendant JOHN RICHARD JAMIESON they needed to remove a court-appointed receiver in a civil lawsuit between defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL because the receiver had "already admitted in writing that these policies were fraudulently purchased" and "[h]e has already spoken to the FBI" who had forwarded this opinion to several insurance carriers.

86. On or about May 17, 2000, defendant JAMES A. CAPWILL telephoned defendant JOHN RICHARD JAMIESON and left a message saying that "if the letter goes out to the investors of the 174 rescinded policies the FBI will start up an investigation."

87. On or about the dates identified below, the defendant-viators identified below submitted materially false applications for life insurance to the insurance companies identified below which caused the insurance companies to issue the life insurance policies identified below, each such submission of a materially false application for life insurance being a separate overt act in furtherance of the conspiracy;

Date	Defendant-Viator	Insurance Co.	Policy No.	Death Benefit
3/2/98	Teddy Brindle	Liberty National	A5305453	\$95,000
2/3/98	Teddy Brindle	Globe Life	E098390	\$10,000
1/27/98	Teddy Brindle	American General	198015934	\$75,000
3/10/98	Teddy Brindle	Gerber Life	1547590	\$20,000

4/2/98	Teddy Brindle	American General	198055545	\$75,000
6/4/98	I.B. Butler	Southwestern Life	2000058238	\$75,000
7/2/97	I.B. Butler	All American	G-639	\$85,000
11/11/97	I.B. Butler	Manhattan Nat'l	AA9709075	\$50,000
1/20/98	I.B. Butler	Jackson Nat'l	26701774	\$75,000
3/8/98	I.B. Butler	Illinois Mutual	0341175	\$80,000
5/9/96	Michael Filippone	Inter-State	323824	\$100,000
9/11/96	Michael Filippone	United American	221590583	\$40,000
9/3/96	Michael Filippone	Pioneer	PL9634352	\$35,000
10/1/96	Michael Filippone	UCT	F0008648	\$25,000
11/21/97	Michael Filippone	Commercial U.	PT389661	\$75,000
10/7/97	Scott Jackson	Commercial U.	PT387706	\$75,000
7/29/97	Scott Jackson	Texas Life	UL0848941	\$75,000
12/3/97	Scott Jackson	American Nat'l	13636947	\$20,000
12/6/97	Scott Jackson	Surety Life	A7124180	\$40,000
11/24/97	Scott Jackson	American Am.	14586570	\$75,000
11/24/97	Scott Jackson	Manhattan Nat'l	AA970881	\$50,000
1/5/98	Scott Jackson	Jackson Nat'l	2670040U	\$75,000
3/12/98	Scott Jackson	Illinois Mutual	341872	\$80,000
10/7/96	Michael Kasten	United American	22-1594505	\$50,000
10/7/96	Michael Kasten	Pioneer Life	PL9636788	\$35,000
10/7/96	Michael Kasten	United Comm.	F0008636	\$25,000
8/27/97	Michael Kasten	BMA	401075114	\$75,000
11/21/97	Michael Kasten	State Life	9105930	\$100,000
3/28/96	Jaeson Krug	Pioneer Life	PL9614948	\$35,000
4/3/97	Jaeson Krug	Congress Life	92110824	\$35,000
4/17/97	Jaeson Krug	United American	22-1617101	\$50,000
4/1/97	Jaeson Krug	BMA	40065942	\$70,000
4/25/97	Jaeson Krug	Manhattan Nat'l	AA9704715	\$50,000

3/31/98	Jaeson Krug	Allianz	2546596	\$25,000
3/31/98	Jaeson Krug	Inter-State	392010	\$50,000
7/2/97	Darlene Lauderdale	John Hancock	67184582	\$75,000
10/15/97	Darlene Lauderdale	AIG Life	L97199576	\$40,000
10/16/97	Darlene Lauderdale	First United Am.	37-175-9352	\$10,000
7/19/97	Darlene Lauderdale	Am. Life of NY	200092764	\$50,000
10/15/97	Darlene Lauderdale	Columbian Mut.	A010183166	\$75,000
7/14/92	Robert Leonberger	United Pres.	010435438	\$75,000
7/14/97	Robert Leonberger	Security Life	1634310	\$35,000
7/14/97	Robert Leonberger	Manhattan Nat'l	AA9706827	\$50,000
7/14/97	Robert Leonberger	United America	22-1629651	\$50,000
7/28/97	Robert Leonberger	Great Southern	1841675	\$75,000
7/28/97	Robert Leonberger	United Home Life	123954	\$50,000
7/28/97	Robert Leonberger	Allianz	2588713	\$25,000
8/12/97	Robert Leonberger	BMA	40073503	\$75,000

1/27/96	Ronald Meshey	Valley Forge	ULBA000033	\$200,000
6/25/96	Ronald Meshey	Valley Forge	ULAB000276	\$190,000
11/8/96	Ronald Meshey	United Investors	U737905	\$50,000
12/18/96	Ronald Meshey	Inter-State	00335783	\$100,000
2/10/97	Ronald Meshey	Am. Pioneer	74321804	\$100,000
7/28/98	Richard Nelson	Security Life	1811652	\$35,000
7/28/98	Richard Nelson	Southwest. Life	2000060099	\$75,000
7/28/98	Richard Nelson	Sentinel Security	145006	\$75,000
8/19/98	Richard Nelson	UCT	F0015100	\$25,000
9/4/98	Richard Nelson	Commonwealth	7AG100366	\$75,000
9/24/97	Trevor Palmer	Phoenix Home	2733595	\$90,000
unknown	Trevor Palmer	New York Life	46218979	\$25,000
unknown	Trevor Palmer	Security Mutual	1235690	\$90,000
3/4/98	Trevor Palmer	Northwest. Nat'l	14571189	\$90,000

4/14/98	Trevor Palmer	Presidential Life	242929	\$75,000
7/20/98	Trevor Palmer	Unity Mutual	100117892	\$75,000
11/28/97	Orrett Ricketts	Commonwealth	7AG100313	\$75,000
11/28/97	Orrett Ricketts	Security Life	1703503	\$35,000
11/5/97	Orrett Ricketts	Guarantee Res.	4701922	\$20,000
unknown	Orrett Ricketts	First United Am.	37-175-9351	\$10,000
5/20/96	Orrett Ricketts	U.S. Life	1155781	\$100,000
4/1/96	Orrett Ricketts	State Farm	AS00559657	\$50,000
10/10/96	Orrett Ricketts	Am. Life of NY	200092596	\$50,000
4/25/97	Orrett Ricketts	John Hancock	FV3317994	\$50,000
6/9/97	Orrett Ricketts	Am. General	500D812410	\$100,000
12/16/97	Linsey Savage	New York Life	46200633	\$1,000,000
12/28/97	Linsey Savage	American Family	1780242-6	\$500,000
1/2/98	Linsey Savage	Country Inv. Life	ML007059	\$250,000
12/31/97	Linsey Savage	State Farm	LF1582391	\$100,000
12/26/97	Linsey Savage	State Farm	LF1582390	\$700,000
2/3/98	William Schade	Manhattan Nat'l	AA9800552	\$50,000
2/3/98	William Schade	Great Southern	1848989	\$80,000
6/8/98	William Schade	Commonwealth	7AG100344	\$75,000
6/3/98	William Schade	Sec. Life of Am.	1788090	\$35,000
6/3/98	William Schade	Southwest. Life	20000058345	\$75,000
10/21/97	Richard Sisson	Pioneer Life	PL9684817	\$35,000
10/9/97	Richard Sisson	Inter-State	00360729	\$50,000
10/21/97	Richard Sisson	Manhattan Nat'l	MG9788294	\$50,000
10/21/97	Richard Sisson	Jackson Nat'l	2677175U	\$95,000
10/21/97	Richard Sisson	Baltimore Life	A0978192	\$25,000
10/21/97	Richard Sisson	Life USA	5334643	\$45,000

88. On various dates known to the Grand Jury, defendant JOHN RICHARD JAMIESON authorized Liberte Capital Group to purchase the above-identified fraudulently obtained life insurance policies, each such purchase being an overt act in furtherance of the conspiracy.

All in violation of Title 18, United States Code, Section 371.

COUNTS 2 THROUGH 33
PROMOTION MONEY LAUNDERING
(PURCHASE OF FRAUDULENTLY OBTAINED POLICIES)

The Grand Jury realleges and incorporates by reference paragraphs 1 through 88 of Count 1 of this Indictment, and further charges that:

On or about the dates set forth below, in the Northern District of Ohio, Western Division, and elsewhere, the defendants, JOHN RICHARD JAMIESON and JAMES A. CAPWILL, knowing that the property involved represented the proceeds of some form of unlawful activity, did knowingly and with the intent to promote the carrying on of specified unlawful activity, to wit, mail fraud in violation of Title 18, United States Code, Section 1341, conduct and attempt to conduct the financial transactions set forth below affecting interstate and foreign commerce, to wit, checks drawn on, or wire transfers from, Liberte Capital Group general escrow accounts at Star Bank, N.A., account #5734-5052-5 (“Star” below), Key Bank, account #352141004353, (“Key”, below) to purchase fraudulently obtained life insurance policies from the defendant/viators and from other co-conspirator viators, which check payments and wire transfers in fact involved the proceeds of a specified unlawful activity, that is, mail fraud in violation of Title 18, United States Code, Section 1341:

<u>CT.</u>	<u>DATE</u>	<u>BANK</u>	<u>TRANSACTION</u>	<u>AMOUNT</u>	<u>VIATOR</u>	<u>POLICY</u>
2	7/28/98	Star	check # 4348	\$ 21,450	B. Adams	American General # 198055542
3	11/18/97	Star	wire transfer	\$ 50,000	P. Barbosa	Old Line Life # 2051583
4	3/10/98	Star	wire transfer	\$ 10,800	J. Bloodworth	Great Southern # 1842913
5	8/5/97	Star	wire transfer	\$ 9,800	K. Bohn	BMA # 40068023
6	7/16/98	Star	check # 4260	\$ 11,400	T. Brindle	Liberty National # a5305453
7	5/1/98	Star	wire transfer	\$11,900	I.B. Butler	All American #L7191050-A
8	7/20/98	Star	check # 4285	\$ 11,000	K. Dalton	American General # 198064419
9	5/8/98	Star	wire transfer	\$ 12,000	W. Evans	Ohio State Life # 1243553
10	12/2/98	Key	check # 1203	\$ 38,000	M. Phillipone	Inter-State # 323824
11	2/2/98	Star	wire transfer	\$ 12,187.50	S. Jackson	Commercial Union # PT387706
12	9/17/98	Star	check # 4680	\$ 13,000	A. Karapolis	American General # 198102521
13	4/7/98	Star	check # 1769	\$ 12,000	M. Kasten	State Life # 9105930
14	5/1/98	Star	check # 1972	\$ 12,350	J. Koster	Liberty Nat'l # A5303580
15	6/20/97	Star	wire transfer	\$ 9,100	J. Krug	BMA # 40065942

16	11/4/97	Star	wire transfer	\$ 12,750	D. Lauderdale	John Hancock # 67184582
17	1/5/98	Star	check # 1222	\$ 9,000	R. Leonberger	BMA # 40073503
18	10/2/98	Star	wire transfer	\$142,500	M. Mengel	First Penn-Pacific # T101759594
19	7/25/97	Star	wire transfer	\$ 13,000	R. Meshey	Inter-State # 335783
20	5/27/98	Star	wire transfer	\$ 9,750	D. Mitchell	American General # 198033544
21	8/18/98	Star	check # 4525	\$ 34,000	D. Morgan	ITT Hartford # P-AGL1266
22	10/21/98	Star	wire transfer	\$ 7,500	R. Nelson	Commonwealth # 07AG100366
23	5/5/98	Star	wire transfer	\$ 16,200	T. Palmer	Security Mutual # 1235690
24	10/16/97	Star	check # 1088	\$ 16,800	J. Ploskonka	BMA # 40067984
25	1/26/98	Star	wire transfer	\$ 17,000	O. Ricketts	Am. General Life # 500D812410
26	9/23/97	Star	wire transfer	\$ 7,500	R. Rose	United Presidential # 435291
27	10/28/97	Star	wire transfer	\$148,000	J. Ross	Primerica # 431189605
28	6/13/97	Star	check # 23	\$ 24,000	P. Sacerdote	Ohio State Life # 1178765
29	3/19/98	Star	wire transfer	\$120,000	L. Savage	New York Life # 46200633
30	9/24/98	Star	wire transfer	\$ 75,000	E. Scarati	Lincoln Benefit Life # OIT1010287
31	5/20/98	Star	wire transfer	\$ 9,600	W. Schade	Great Southern # 1848989

32	3/10/98	Star	wire transfer	\$ 14,725	R. Sisson	Jackson National # 2677175U
33	3/13/98	Star	check # 1570	\$ 12,750	W. Wheeler	Allstate Life # 729951893

All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) & 2.

COUNTS 34 THROUGH 81
PROMOTION MONEY LAUNDERING
(PAYMENT OF COMMISSIONS AND BONUSES TO LIBERTE CAPITAL GROUP)

The Grand Jury realleges and incorporates by reference paragraphs 1 through 88 of Count 1 of this Indictment, and further charges that:

On or about the dates set forth below, in the Northern District of Ohio, Western Division, and elsewhere, the defendants, JOHN RICHARD JAMIESON and JAMES A. CAPWILL, knowing that the property involved represented the proceeds of some form of unlawful activity, did knowingly and with the intent to promote the carrying on of specified unlawful activity, to wit, mail fraud in violation of Title 18, United States Code, Section 1341, conduct and attempt to conduct the financial transactions set forth below affecting interstate and foreign commerce, to wit, payment of commissions and bonuses to Liberte Capital Group via checks drawn on, interaccount transfers, or wire transfers from, Liberte Capital Group general escrow accounts at Star Bank, N.A., account #5734-5052-5 ("Star" below) or at Key Bank, account #352141004353 ("Key"), which check payments or wire transfers in fact involved the proceeds of a specified unlawful activity, that is, mail fraud in violation of Title 18, United States Code, Section 1341:

COUNT	DATE	BANK	TRANSACTION	AMOUNT	RECIPIENT
34	5/13/97	Star	debit memo	\$111,807.90	LCG Cash-Eurofund
35	7/25/97	Star	check no. 1233	\$ 43,352.25	LCG-operating acct.
36	9/22/97	Star	check no. 1380	\$ 78,859.25	LCG operating acct.
37	10/27/97	Star	check no. 1129	\$ 161,498.50	LCG operating acct.
38	11/10/97	Star	check no. 1180	\$ 99,275.75	LCG operating acct.
39	11/21/97	Star	check no. 1205	\$ 94,069.75	LCG operating acct.
40	12/22/97	Star	check no. 1273	\$ 91,188.50	LCG operating acct.
41	1/7/98	Star	debit memo	\$ 127,500	RJ Management
42	1/12/98	Star	check no. 1309	\$ 540,000	RJ Management
43	1/16/98	Star	check no. 1334	\$ 200,000	RJ Management
44	1/28/98	Star	check no. 1375	\$ 200,000	RJ Management
45	2/2/98	Star	check no. 1403	\$ 209,567.08	RJ Management
46	3/13/98	Star	check no. 1576	\$ 262,882.46	RJ Management

47	3/13/98	Star	check no. 1578	\$ 200,948.05	RJ Management
48	3/20/98	Star	check no. 1624	\$ 280,078.15	RJ Management
49	4/3/98	Star	check no. 1745	\$ 231,382.39	RJ Management
50	4/17/98	Star	check no. 1827	\$ 282,349.39	RJ Management
51	4/22/98	Star	ACH transfer	\$ 400,000	RJ Management
52	4/24/98	Star	check no. 1878	\$ 394,502.18	RJ Management
53	4/28/98	Star	Debit Memo	\$ 300,000	RJ Management
54	5/1/98	Star	check no. 1982	\$ 229,351.48	RJ Management
55	5/8/98	Star	check no. 2049	\$ 264,176.09	RJ Management
56	5/18/98	Star	check no. 2192	\$1,116,548	RJ Management
57	5/22/98	Star	check no. 2195	\$ 281,398.01	RJ Management
58	6/5/98	Star	check no. 2249	\$ 340,991.87	RJ Management
59	6/12/98	Star	check no. 4038	\$ 247,791.13	RJ Management
60	6/19/98	Star	check no. 4099	\$ 226,664.13	RJ Management

61	6/26/98	Star	check no. 4124	\$ 504,622.79	RJ Management
62	7/2/98	Star	check no. 4181	\$ 595,126.27	RJ Management
63	7/10/98	Star	check no. 4233	\$ 700,892.97	RJ Management
64	7/17/98	Star	check no. 4278	\$ 649,840.64	RJ Management
65	7/24/98	Star	check no. 4326	\$ 599,718.70	RJ Management
66	7/31/98	Star	check no. 4377	\$ 361,784.14	RJ Management
67	8/7/98	Star	check no. 4436	\$ 988,802.87	RJ Management
68	8/14/98	Star	check no. 4511	\$ 319,272.13	RJ Management
69	8/21/98	Star	check no. 4556	\$ 483,674.68	RJ Management
70	8/28/98	Star	check no. 4603	\$ 438,381.88	RJ Management
71	9/8/98	Star	check no. 4631	\$ 374,796.13	RJ Management
72	9/11/98	Star	check no. 4649	\$ 370,316.26	RJ Management
73	9/18/98	Star	check no. 4695	\$ 406,243.61	RJ Management
74	9/28/98	Star	check no. 4745	\$ 438,399.31	RJ Management
75	10/5/98	Star	check no. 4814	\$ 463,355.82	RJ Management
76	10/13/98	Star	check no. 4853	\$ 454,661.67	RJ Management
77	10/19/98	Star	check no. 4886	\$ 534,499.94	RJ Management
78	10/27/98	Star	check no. 4929	\$ 321,380.22	RJ Management
79	11/2/98	Star	check no. 4954	\$ 411,461.27	RJ Management
80	11/9/98	Star	check no. 4991	\$ 456,444.39	RJ Management
81	12/31/98	Key	wire transfer	\$ 321,533.90	RJ Management

All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) & 2

COUNTS 82 THROUGH 90
INTERNATIONAL MONEY LAUNDERING

The Grand Jury realleges and incorporates by reference paragraphs 1 through 88 of Count 1 of this Indictment, and further charges that:

On or about the dates set forth below, in the Northern District of Ohio, Western Division and elsewhere, defendant JOHN RICHARD JAMIESON, did knowingly transport, transmit, and transfer, and attempted to transport, transmit and transfer the funds identified below from places in the United States identified below to or through places outside the United States identified below or to places in the United States identified below from or through places outside the United States identified below, which financial transactions, affecting interstate or foreign commerce, involved the proceeds of a specified unlawful activity, that is, mail fraud in violation of Title 18, United States Code, Section 1341, knowing that the transactions were designed in whole or in part to conceal and disguise the nature, location, source, ownership and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transactions knew the property involved in the financial transactions represented the proceeds of some form of unlawful activity:

COUNT 82

On or about November 20, 1997, in connection with his purchase of a residence at 4333 Forestview, Village of Ottawa Hills, Ohio, defendant JOHN RICHARD JAMIESON, caused the transfer by wire of \$702,100 from the Liberte Capital Group general escrow account, account # 5743-3034-6 at Star Bank, N.A., Solon, Ohio, USA, to the Finbar Dempsey & Company bank account # 0012002166, at Bankers NYC Turks & Caicos Banking Company, Turks & Caicos,

British West Indies.

COUNT 83

On or about November 24, 1997, in connection with his purchase of a residence at 4333 Forestview, Village of Ottawa Hills, Ohio, defendant JOHN RICHARD JAMIESON caused Finbar Dempsey & Company to transfer by wire \$701,500 from Finbar Dempsey & Company's bank account # 0012002166, at Bankers NYC Turks & Caicos Banking Company, Turks & Caicos, British West Indies to the bank account of Ameri-Land Title Agency, Inc., account #2000198, at Capital Bank, N.A., Sylvania, Ohio, USA.

COUNT 84

On or about December 30, 1997, defendant JOHN RICHARD JAMIESON caused the transfer by wire of \$119,325 from the Liberte Capital Group general escrow account, account # 5743-3034-6 at Star Bank, N.A., Solon, Ohio, USA, to the Finbar Dempsey & Company bank account # 0012002166, at Bankers NYC Turks & Caicos Banking Company, Turks & Caicos, British West Indies.

COUNT 85

On or about November 17, 1998, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$2,525 from Liberte Capital Group Capital Bank account # 2030831, Sylvania, Ohio, USA to Bilston Overseas, Ltd account # 215948439 at Barclay's Bank PLC, Tortola, British Virgin Islands.

COUNT 86

On or about December 15, 1998, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$5,050 from Liberte Capital Group Capital Bank account # 2030831, Sylvania, Ohio, USA to the Bilston Overseas, Ltd account # 215948439 at Barclay's Bank Plc. Tortola, British Virgin Islands, in payment for the creation of a Pure Trust Organization.

COUNT 87

On or about March 29, 1999, defendant JOHN RICHARD JAMIESON caused \$10,000 to be deposited to The Leelanau Trust, Royal Bank of Canada, Trustee, Nassau N.P., Bahamas, via check # 5134 drawn on defendant JAMIESON's account # 00000016584 at Capital Bank, Sylvania, Ohio.

COUNT 88

On or about December 7, 1999, in connection with his ownership interest in Shulien & Jamieson in a wine shop in the Village of Ottawa Hills, Ohio, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$45,000 from the Turks & Caicos Banking Company, account # unknown, Turks & Caicos, British West Indies, to defendant JOHN RICHARD JAMIESON's Capital Bank account # 00000016584, Sylvania, Ohio, USA.

COUNT 89

On or about December 14, 1999, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$70,000 from Turks & Caicos Banking Company, account # unknown, Turks & Caicos, British West Indies, to defendant JOHN RICHARD JAMIESON's Capital Bank account # 00000016584, Sylvania, Ohio, USA.

COUNT 90

On or about February 14, 2000, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$14,917.56 from Turks & Caicos Banking Company, account # unknown, Turks & Caicos, British West Indies, to defendant JOHN RICHARD JAMIESON's Capital Bank account # 00000016584, Sylvania, Ohio, USA.

All in violation of Title 18, United States Code, Section 1956(a)(2)(B)(i).

COUNTS 91 THROUGH 100
CONCEALMENT MONEY LAUNDERING

The Grand Jury realleges and incorporates by reference paragraphs 1 through 88 of Count 1 of this Indictment, and further charges that:

On or about the dates set forth below, in the Northern District of Ohio, Western Division and elsewhere, defendant JOHN RICHARD JAMIESON did knowingly conduct and attempt to conduct the financial transactions set forth below affecting interstate and foreign commerce, to wit, withdrawals or transfers from the bank accounts of the entities set forth below, which involved the proceeds of a specified unlawful activity, that is, mail fraud in violation of Title 18, United States Code, Section 1341, knowing that the transactions were designed in whole or in part to conceal and disguise the nature, location, source, ownership and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transactions knew the property involved in the financial transactions represented the proceeds of some form of unlawful activity:

COUNT 91

On or about November 24, 1997, in connection with his purchase of a residence at 4333 Forestview, Village of Ottawa Hills, Ohio, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$63,108.67 from the Liberte Capital Group general escrow account, account # 5743-3034-6 at Star Bank, N.A., to the bank account of Ameri-Land Title Agency, Inc., account #2000198, at Capital Bank, N.A.

COUNT 92

On or about April 1, 1997, defendant JOHN RICHARD JAMIESON transferred \$9,000 from Liberte Capital Group Star Bank operating account # 5743-3034-6 to Cottage Management Enterprises Star Bank account # 5743-2993-4.

COUNT 93

On or about July 7, 1997, defendant JOHN RICHARD JAMIESON transferred \$10,000 from Liberte Capital Group Star Bank operating account # 5743-3034-6 to Cottage Management Enterprises Star Bank account # 5743-2993-4.

COUNT 94

On or about September 19, 1997, defendant JOHN RICHARD JAMIESON transferred \$10,000 from Liberte Capital Group Star Bank operating account # 5743-3034-6 to Cottage Management Enterprises Star Bank account # 5743-2993-4.

COUNT 95

On or about November 17, 1997, defendant JOHN RICHARD JAMIESON transferred \$10,000 from Liberte Capital Group Star Bank operating account # 5743-3034-6 to Cottage Management Enterprises Star Bank account # 5743-2993-4.

COUNT 96

On or about November 26, 1997, defendant JOHN RICHARD JAMIESON transferred \$10,000 from Liberte Capital Group Star Bank operating account # 5743-3034-6 to Cottage Management Enterprises Star Bank account # 5743-2993-4.

COUNT 97

On or about February 25, 1998, defendant JOHN RICHARD JAMIESON transferred \$31,000 from RJ Management Star Bank account # 573891769 to Cottage Management Enterprises Star Bank account # 5743-2993-4.

COUNT 98

On or about April 8, 1998, defendant JOHN RICHARD JAMIESON caused the transfer of \$37,824.31 from Liberte Capital's Star Bank account # 573891777 to the Cottage Management Enterprise Star Bank account # 574329934.

COUNT 99

On or about May 1, 1998, defendant JOHN RICHARD JAMIESON caused the transfer of \$5,216.40 from Liberte Capital Group Star Bank account # 573891777 to Cottage Management Enterprises Star Bank account # 574329934.

COUNT 100

On or about November 20, 1998, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$54,000 from Liberte Capital Group Capital Bank account #2030831 to Cottage Management Enterprises Star Bank account # 5743-2993-4.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

**COUNTS 101 THROUGH 132
ENGAGING IN MONETARY TRANSACTIONS
IN PROPERTY DERIVED FROM SPECIFIED UNLAWFUL ACTIVITY
(DEFENDANTS JAMIESON AND CAPWILL)**

The Grand Jury realleges and incorporates by reference paragraphs 1 through 88 of Count 1 of this Indictment, and further charges that:

On or about the dates set forth below, in the Northern District of Ohio, Western Division and elsewhere, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL did knowingly engage and attempt to engage in the monetary transactions set forth below, each affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000, that is, withdrawals, transfers and/or payment of funds via checks from financial institutions, such property having been derived from a specified unlawful activity, that is, mail fraud in violation of Title 18, United States Code, Section 1341:

COUNT 101

On or about January 26, 1998, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the transfer of \$250,000 to attorney Robert Garfield via check # 1007 for \$250,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 102

On or about January 30, 1998, in connection with defendant JOHN RICHARD JAMIESON's ownership and operation of a viatical policy brokering company called Portfolio Liquidation, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$250,000 to Portfolio Liquidation via check # 1009 for \$250,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 103

On or about February 27, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in a company called Tri-Tech Plastics, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$200,000 to Tri-Tech Plastics via check # 1021 for \$200,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 104

On or about February 27, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in a company called Tri-Tech Plastics, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$50,000 to Tri-Tech Plastics via check # 1022 for \$50,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 105

On or about March 2, 1998, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$15,000 to defendant JOHN RICHARD JAMIESON via wire transfer of \$15,000 from RJ Management Star Bank account # 573891769 to defendant JOHN RICHARD JAMIESON's Capital Bank account # 0016584.

COUNT 106

On or about June 23, 1998, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the wire transfer of \$140,000 from RJ Management Star Bank account # 573891769 to defendant JAMIESON's investment account at SalomonSmithBarney.

COUNT 107

On or about March 10, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in a company called Tri-Tech Plastics, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$400,000 to Tri-Tech Plastics via check # 1030 for \$400,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 108

On or about March 13, 1998, in connection with defendant JOHN RICHARD JAMIESON's ownership and operation of a viatical policy brokering company called Portfolio Liquidation, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$100,000 to Portfolio Liquidation via check # 1036 for \$100,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 109

On or about April 2, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in a company called Tri-Tech Plastics, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$200,000 to Tri-Tech Plastics via check # 1052 for \$200,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 110

On or about April 14, 1998, in connection with an investment of defendant JOHN RICHARD JAMIESON in the form of the private refinancing of a residential property located at 3700 Hughstown Drive, Akron, Ohio, defendants JOHN RICHARD JAMIESON and JAMES A. CAPWILL caused \$550,000 of Liberte Capital investor funds, transferred earlier the same day from Liberte Capital's general escrow account # 5734-5052-5 at Star Bank, N.A., Solon, Ohio, to RJ

Management Star Bank account # 573891769, to be transferred from RJ Management Star Bank account # 573891769 to the Independence Title Company, Cleveland, Ohio, account # unknown.

COUNT 111

On or about April 15, 1998, defendants JOHN RICHARD JAMIESON and JAMES A. CAPWILL caused R.J. Management to purchase a Porsche automobile for \$53,973.48 using check # 1051 drawn on RJ Management Star Bank account # 573891769 and payable to Southway, Inc.

COUNT 112

On or about April 21, 1998, defendants JOHN RICHARD JAMIESON and JAMES A. CAPWILL caused check # 1063 for \$35,000 to be drawn on RJ Management Star Bank account # 573891769 to fund the Jamieson Family Scholarship Fund at the University of Michigan.

COUNT 113

On or about May 12, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in a company called Tri-Tech Plastics, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$200,000 to Hi-Tek Mold Development via check # 1082 for \$200,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 114

On or about May 20, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in a company called Tri-Tech Plastics, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$400,000 to Tri-Tech Plastics via check # 1095 for \$400,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 115

On or about June 2, 1998, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$50,000 to defendant JOHN RICHARD JAMIESON via check # 1087 for \$50,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 116

On or about July 2, 1998, in connection with an investment by defendant JOHN RICHARD JAMIESON in a company called HJ Meyers, defendants JOHN RICHARD JAMIESON (dba HJM Acquisition Co., LLC) and JAMES A. CAPWILL caused \$2,250,000 to be wire transferred from RJ Management Star Bank account # 573891769 to HJ Meyer Co., account # 00014742, bank unknown.

COUNT 117

On or about July 2, 1998, in connection with an investment by defendant JOHN RICHARD JAMIESON in a company called HJ Meyers, defendants JOHN RICHARD JAMIESON (dba HJM Acquisition Co., LLC) and JAMES A. CAPWILL, caused \$250,000 to be wire transferred from RJ Management Star Bank account # 573891769 to HJ Meyer Co. Inc., account # 00014742, bank unknown.

COUNT 118

On or about July 16, 1998, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$50,000 to defendant JOHN RICHARD JAMIESON via check # 1123 for \$50,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 119

On or about August 17, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in the outcome of a lawsuit, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$245,000 to Ward & Associates via wire transfer of \$245,000 from RJ Management Star Bank account # 573891769.

COUNT 120

On or about September 1, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in the outcome of a lawsuit, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$42,000 to Ward & Associates via wire transfer of \$42,000 from RJ Management Star Bank account # 573891769.

COUNT 121

On or about September 1, 1998, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$30,000 to defendant JOHN RICHARD JAMIESON via check # 1167 for \$30,000 drawn on RJ Management Star Bank account # 573891769.

COUNT 122

On or about September 10, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in the outcome of a lawsuit, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$95,000 to Ward & Associates via wire transfer of \$95,000 from RJ Management Star Bank account # 573891769.

COUNT 123

On or about September 11, 1998, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$22,588 to Thompson Construction via check # 1171 for \$22,588 drawn on RJ Management Star Bank account # 573891769.

COUNT 124

On or about October 9, 1998, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$50,000 to defendant JOHN RICHARD JAMIESON via wire transfer of \$50,000 from RJ Management Star Bank account # 573891769 to defendant JAMIESON's Capital Bank account # 0016584.

COUNT 125

On or about October 14, 1998, in connection with defendant JOHN RICHARD JAMIESON's purchase of the property located at 102-104 North Summit Street, Toledo, Ohio, through a company called EJT Properties, LLC, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL, caused the transfer of \$862,966.14 in Liberte Capital Group investor funds, previously transferred from the Liberte Capital escrow account to Capital Fund Leasing, from Capital Fund Leasing bank account unknown to Louisville Title Company Fifth Third Bank account unknown.

COUNT 126

On or about October 19, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in the outcome of a lawsuit, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$65,000 to Ward & Associates via wire transfer of \$65,000 from RJ Management Star Bank account # 573891769.

COUNT 127

On or about November 17, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in the outcome of a lawsuit, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$60,000 to Ward & Associates via wire transfer of \$60,000 from RJ Management Key Bank account # 352141004601.

COUNT 128

On or about November 25, 1998, in connection with defendant JOHN RICHARD JAMIESON's investment in a company called Tri-Tech Plastics, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the payment of \$650,000 to Tri-Tech Plastics via check # 5000 for \$650,000 drawn on RJ Management Key Bank account # 352141004601.

COUNT 129

On or about January 11, 1999, in connection with defendant JOHN RICHARD JAMIESON's donation of \$50,000 to The Jamieson Family Scholarship Fund at the University of Michigan, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the purchase of Capital Bank Official Check # 051777 for \$50,000 using funds from RJ Management Capital Bank account # 2031490.

COUNT 130

On or about March 24, 1999, in payment for the services of a law firm called Potter, Day & Associates in connection with the creation of offshore trust entities for defendant JOHN RICHARD JAMIESON, defendants JOHN RICHARD JAMIESON and JAMES A. CAPWILL paid Potter, Day & Associates with check # 5005 for \$95,000 drawn on RJ Management Capital Bank account

2031490.

COUNT 131

On or about March 3, 2000, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the transfer of \$20,000 from RJ Management Huntington National Bank account # 01472137898 via check no. 6040 payable to Volmar's Inc., dba Volmar's Kitchen & Bath, Andrew Jamieson, President.

COUNT 132

On or about March 3, 2000, defendant JOHN RICHARD JAMIESON and defendant JAMES A. CAPWILL caused the transfer of \$30,000 from RJ Management Huntington National Bank account # 01472137898 via check no. 6041 payable to Volmar's Inc., dba Volmar's Kitchen & Bath, Andrew Jamieson, President.

All in violation of Title 18, United States Code, Sections 1957 & 2.

**COUNTS 133 THROUGH 157
ENGAGING IN MONETARY TRANSACTIONS
IN PROPERTY DERIVED FROM SPECIFIED UNLAWFUL ACTIVITY
(DEFENDANT JAMIESON ONLY)**

The Grand Jury realleges and incorporates by reference paragraphs 1 through 88 of Count 1 of this Indictment, and further charges that:

On or about the dates set forth below, in the Northern District of Ohio, Western Division and elsewhere, defendant JOHN RICHARD JAMIESON did knowingly engage and attempt to engage in the monetary transactions set forth below, each affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000, that is, withdrawals, transfers and/or payment of funds via checks from financial institutions, such property having been derived from a specified unlawful activity, that is, mail fraud in violation of Title 18, United States Code, Section 1341:

COUNT 133

On or about January 28, 1998, defendant JOHN RICHARD JAMIESON caused payment of \$13,085.67 to Betty Rumpf Interiors using check # 10418 drawn on Liberte Capital Group Star Bank account # 5743-3034-6.

COUNT 134

On or about January 30, 1998, in connection with the renovation of his vacation home in Leland, Michigan, defendant JOHN RICHARD JAMIESON, caused Cottage Management Enterprises to issue to Gauthier-Miller Construction Company of Leland, Michigan, check No. 10089 in the amount of \$21,691.93 drawn on Star Bank account # 5743-2993-4.

COUNT 135

On or about March 4, 1998, in connection with the renovation of his vacation home in Leland, Michigan, defendant JOHN RICHARD JAMIESON, caused Cottage Management Enterprises to issue to Gauthier-Miller Construction Company of Leland, Michigan, check No. 10101 in the amount of \$30,002.63 drawn on Star Bank account # 5743-2993-4.

COUNT 136

On or about April 13, 1998, defendant JOHN RICHARD JAMIESON, in connection with the renovation of his vacation home in Leland, Michigan, caused Cottage Management Enterprises to issue to Gauthier-Miller Construction Company of Leland, Michigan, check No. 10111 in the amount of \$37,824.31 drawn on Star Bank account # 5743-2993-4.

COUNT 137

On or about May 26, 1998, defendant JOHN RICHARD JAMIESON, in connection with the renovation of his vacation home in Leland, Michigan, caused Cottage Management Enterprises to issue to Gauthier-Miller Construction Company of Leland, Michigan, check #10122 in the amount of \$83,164.83 drawn on Star Bank account # 5743-2993-4.

COUNT 138

On or about July 17, 1998, defendant JOHN RICHARD JAMIESON, in connection with the renovation of his vacation home in Leland, Michigan, caused Cottage Management Enterprises to issue to Gauthier-Miller Construction Company of Leland, Michigan, check No. 10134 in the amount of \$89,532.82 drawn on Star Bank account # 5743-2993-4.

COUNT 139

On or about July 27, 1998, defendant JOHN RICHARD JAMIESON caused payment of \$39,048.23 to Betty Rumpf Interiors using check # 5062 drawn on Capital Bank account # 0016584.

COUNT 140

On or about August 27, 1998, defendant JOHN RICHARD JAMIESON, in connection with the renovation of his vacation home in Leland, Michigan, caused Cottage Management Enterprises to pay to Volmar's Kitchens \$14,000 via a wire transfer for \$14,000 from Star Bank account # 5743-2993-4.

COUNT 141

On or about August 24, 1998, defendant JOHN RICHARD JAMIESON, in connection with the renovation of his vacation home in Leland, Michigan, caused Cottage Management Enterprises to issue to Gauthier-Miller Construction Company of Leland, Michigan check No. 10029 in the amount of \$80,681.16 drawn on Star Bank account # 5743-2993-4.

COUNT 142

On or about November 16, 1998, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$114,347 from Liberte Capital Group Capital Bank account # 2030831 to Liberte Capital Group SalomonSmithBarney account # 713-09318-14-090.

COUNT 143

On or about November 23, 1998, defendant JOHN RICHARD JAMIESON, in connection with the renovation of his vacation home in Leland, Michigan, caused Cottage Management Enterprises to issue to Gauthier-Miller Construction Company of Leland, Michigan check No. 10187 in the amount of \$53,324.89 drawn on Star Bank account # 5743-2993-4.

COUNT 144

On or about November 23, 1998, in connection with his purchase of 8,900 shares of Tera Computer Co. stock for \$84,093.75 for the Liberte Capital Group, defendant JOHN RICHARD JAMIESON caused the transfer of \$84,093.75 from Liberte Capital Group Capital Bank account # 2030831 to Liberte Capital Group SalomonSmithBarney account #713-09318-14-090.

COUNT 145

On or about December 4, 1998, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$100,000 from Liberte Capital Group Capital Bank account # 2030831 to National City Bank account # 60025733.

COUNT 146

On or about December 21, 1998, in connection with his purchase of Lot No. 2, Talmadge Road, Village of Ottawa Hills, Ohio, defendant JOHN RICHARD JAMIESON purchased Capital Bank Official Check # 051295 in the amount of \$25,000 payable to himself with funds from Liberte Capital Group Capital Bank account # 2030831.

COUNT 147

On or about January 14, 1999, in connection with landscaping work performed at defendant JAMIESON's residence at 4333 Forestview, Village of Ottawa Hills, Ohio, defendant JOHN RICHARD JAMIESON caused payment of \$25,124.42 to FloraLandscape by check # 5109 drawn on defendant JAMIESON's personal Capital Bank account # 16584.

COUNT 148

On or about January 14, 1999, defendant JOHN RICHARD JAMIESON caused payment of \$16,703.48 to Betty Rumpf Interiors using check # 5108 drawn on defendant JAMIESON's personal Capital Bank account # 16584.

COUNT 149

On or about February 8, 1999, in connection with his purchase of Lot No. 2, Talmadge Road, Village of Ottawa Hills, Ohio, defendant JOHN RICHARD JAMIESON caused the purchase of Official check # 052274 payable to EJT Properties, LLC in the amount of \$150,025 using funds from RJ Management LLC Capital Bank account # 2031490.

COUNT 150

On or about March 10, 1999, defendant JOHN RICHARD JAMIESON, in connection with the renovation of his vacation home in Leland, Michigan, caused Cottage Management Enterprises to issue to Gauthier-Miller Construction Company of Leland, Michigan check No. 10198 in the amount of \$29,535.81 drawn on Star Bank account # 5743-2993-4.

COUNT 151

On or about March 17, 1999, defendant JOHN RICHARD JAMIESON caused payment of \$11,609.46 to Betty Rumpf Interiors using check # 5130 drawn on Capital Bank account # 16584.

COUNT 152

On or about May 7, 1999, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$20,000 from SalomonSmithBarney account 713-15078-11-090 to Chamberlain Capital Management account # 91100042639 at First Republic Bank, San Francisco, California.

COUNT 153

On or about May 27, 1999, defendant JOHN RICHARD JAMIESON caused the wire transfer of \$69,824.35 from Liberte Capital Group Huntington National Bank account # 01472137856 to Summers, Bargas LP.

COUNT 154

On or about June 4, 1999, defendant JOHN RICHARD JAMIESON caused payment of \$20,000 to Betty Rumpf Interiors using check # 3041, drawn on Liberte Capital Group Huntington National Bank account # 01472137856.

COUNT 155

On or about July 1, 1999, defendant JOHN RICHARD JAMIESON purchased a 1999 Sea Ray Boat using Huntington National Bank Cashier's Check # 2418298 in the amount of \$45,120.06.

COUNT 156

On or about December 7, 1999, defendant JOHN RICHARD JAMIESON loaned to Schulien & Jamieson Ltd. \$45,000 using check # 5167 drawn on Capital Bank account # 16584.

COUNT 157

On or about December 14, 1999, defendant JOHN RICHARD JAMIESON caused payment of \$30,000 to FloraLandscape by check # 6007 drawn on Capital Bank account # 16584 for work performed at 4333 Forestview, Village of Ottawa Hills, Ohio.

All in violation of Title 18, United States Code, Section 1957.

COUNT 158
CONSPIRACY TO COMMIT MONEY LAUNDERING OFFENSES
(DEFENDANTS JAMIESON AND CAPWILL)

The Grand Jury realleges and incorporates by reference paragraphs 1 through 88 of Count 1 of this Indictment and further charges that:

THE CONSPIRACY

1. From on or about April 25, 1997, and continuing through on or about May 19, 2000, in the Northern District of Ohio, Western Division, and elsewhere, defendants, JOHN RICHARD JAMIESON and JAMES A. CAPWILL knowingly and willfully conspired and agreed together:

(a) knowing that the property involved in financial transactions represented the proceeds of some form of unlawful activity, to conduct and attempt to conduct such financial transactions affecting interstate or foreign commerce, which in fact involved the proceeds of specified unlawful activity with the intent to promote the carrying on of specified unlawful activity in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i); and

(b) knowingly to engage, attempt to engage and cause monetary transactions in criminally derived property that was of a value greater than \$10,000 and was derived from specified unlawful activity and affecting interstate or foreign commerce, in violation of Title 18, United States Code, Section 1957(a);

MANNER AND MEANS OF THE CONSPIRACY

2. It was part of the conspiracy that defendants JOHN RICHARD JAMIESON and JAMES A. CAPWILL, knowing that the funds involved represented the proceeds of a scheme to defraud life insurance companies throughout the United States and to defraud the investors of Liberte Capital Group throughout the United States, conducted and attempted to conduct financial

transactions with funds fraudulently obtained from the investors of Liberte Capital Group with the intent to promote the scheme to defraud said life insurance companies and investors. Specifically, defendants JOHN RICHARD JAMIESON and JAMES A. CAPWILL used fraudulently obtained investor funds to promote the scheme by: (1) paying viators approximately \$22,853,000 for their life insurance policies; (2) paying approximately \$6,135,000 in commissions to policy brokers; (3) paying approximately \$9,600,000 in commissions to Liberte Capital Group's sales representatives; (4) paying approximately \$23,200,000 in commissions and bonuses to Liberte Capital Group; (5) paying approximately \$340,000 in fees to Viatical Escrow Services; and (6) using approximately \$42,480,000 in investor funds to fund the Liberte Capital premium reserve escrow account Viatical Escrow Services maintained. The funds involved in these financial transactions totaled approximately \$104,608,000.

3. It was further part of the conspiracy that defendants JOHN RICHARD JAMIESON and JAMES A. CAPWILL, entered into an agreement wherein defendant JAMIESON authorized defendant CAPWILL to invest a portion of defendant JAMIESON's profits from the fraud scheme and that defendant CAPWILL would receive a percentage of the profits from these investments.

4. It was further part of the conspiracy that defendants JOHN RICHARD JAMIESON and JAMES A. CAPWILL, used a company called EJT Management d/b/a RJ Management to invest a portion of defendant JAMIESON's profits from the fraud scheme and further used EJT Management d/b/a RJ Management and other companies or entities to manage and/or own the resulting investments.

5. It was further part of the conspiracy that defendants JAMIESON and CAPWILL took steps to conceal the existence, purpose and acts done in furtherance of the conspiracy.

OVERT ACTS

In addition to the financial transactions set forth in Counts 2 through 81 and Counts 101 through 132, above, which financial transactions are incorporated by reference herein, defendants JAMIESON and CAPWILL knowingly engaged in the following overt acts in furtherance of the conspiracy:

6. On or about a date unknown to the Grand Jury but believed to be in November or December 1997, defendants JAMIESON and CAPWILL entered into an oral agreement whereby defendant JAMIESON agreed to allow defendant CAPWILL to invest a portion of defendant JAMIESON'S profits from the operation of Liberte Capital Group in return for a portion of the net profits derived from these investments.

All in violation of Title 18, United States Code, Section 1956(h).

COUNTS 159 THROUGH 160
FALSE DECLARATIONS BEFORE A COURT

The Grand Jury further charges that:

On or about April 17, 2000, in the Northern District of Ohio, Eastern Division, defendant JOHN RICHARD JAMIESON, while under oath as a witness in a case then being tried before the United States District Court for the said District entitled, *Liberte Capital Group, LLC v. James A. Capwill, et al.*, No. 5:99-CV-818, knowingly did make false material declarations, that is to say:

COUNT 159

At the time and place aforesaid, the Court was engaged in a hearing in the aforementioned case wherein defendant JOHN RICHARD JAMIESON, through his company plaintiff Liberte Capital Group, LLC, had alleged that James A. Capwill had embezzled funds from Liberte Capital Group, LLC. It was a material matter in said lawsuit and hearing to determine the extent of defendant JAMIESON'S profits from the operation of Liberte Capital Group, to determine how much of these profits defendant JAMIESON had actually received, and whether defendant JAMIESON had ever transferred, kept or maintained any of the profits in bank accounts or trust entities in jurisdictions outside the United States.

At the time and place alleged, defendant JOHN RICHARD JAMIESON, while under oath, did knowingly declare before said Court with respect to the aforesaid material matter, as follows:

“Q. Do you have any money which is overseas? A. No.”

“Q. Have you ever? A. No.”

The aforesaid italicized testimony of defendant JOHN RICHARD JAMIESON, (the

second response “No”) as he then and there well knew and believed, was false in that, on or about the dates and in the foreign jurisdictions identified in Count 82 through Count 90 of this Indictment, which paragraphs are incorporated by reference herein, defendant JOHN RICHARD JAMIESON did, in fact, keep and maintain funds overseas (in jurisdictions outside the United States).

COUNT 160

At the time and place aforesaid, the Court was engaged in a hearing in the aforementioned case wherein defendant JOHN RICHARD JAMIESON, through his company plaintiff Liberte Capital Group, LLC, had alleged that James A. Capwill had embezzled funds from Liberte Capital Group, LLC. It was a material matter in said lawsuit and hearing to determine the extent of defendant JAMIESON’S profits from the operation of Liberte Capital Group, to determine how much of these profits defendant JAMIESON had actually received, and whether defendant JAMIESON had ever transferred, kept or maintained any of the profits in bank accounts or trust entities in jurisdictions outside the United States.

At the time and place alleged, defendant JOHN RICHARD JAMIESON, while under oath, did knowingly declare before said Court with respect to the aforesaid material matter, as follows:

“Q. “ And when I say you, I mean, do you have any beneficial interest, or *have you had any beneficial interest in money which is currently or has been overseas?*”

A. “No.”

The aforesaid italicized testimony of defendant JOHN RICHARD JAMIESON, in response to the italicized question, as he then and there well knew and believed, was false in that, on or about the dates and in the foreign jurisdictions identified in Count 82 through Count 90 of this Indictment, which paragraphs are incorporated by reference herein, defendant JOHN RICHARD JAMIESON

did, in fact, have a beneficial interest in overseas funds (funds in jurisdictions outside the United States).

All in violation of Title 18, United States Code, Section 1623.

FORFEITURE ALLEGATION

The Grand Jury realleges and incorporates by reference herein the allegations of Counts 2 through 158 of the Indictment for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 982 and Title 21, United States Code, Section 853.

As a result of his violations of Title 18 United States Code, Sections 1956 and 1957 as alleged in the foregoing Indictment, JOHN RICHARD JAMIESON, defendant herein, shall forfeit to the United States all property, real and personal, involved in the aforesated offenses and all property traceable to such property, including but not limited to the following:

1. Currency:

\$104,608,000 in United States currency and all interest and proceeds traceable thereto, in that such sum in aggregate is property which was involved in the aforesated offenses or is traceable to such property.

2. Corporate, Trust and Other Artificial Entity Assets:

All property in whatever form and wherever located which defendant JOHN RICHARD JAMIESON owns or controls directly or indirectly through any artificial entity including, but not limited to, the following entities and assets:

Liberte Capital Group, Inc.

Liberte Capital Group, LLC

Liberte Securities

RJ Management, LLC

EJT Management, LLC

EJT Properties, LLC

Liberte Financial Management, LLC

Liberte Life Line, Inc.

Liberte Credit Company

Liberte Partners, LP

Policy Holding Services Group

Midwest Viatical Management Co.

Cottage Management Enterprises	Portfolio Liquidation Services, Inc.
DMR Enterprises	Summit Street Group, LLC
JRJ Aviation & Leasing, Inc.	Village Properties
JAMCO Enterprises, Inc.	Tri-Tech Plastics, Inc.
Jamieson Asset Management Co., Inc.	Shulien & Jamieson, LTD
The Ottawa Hills Land Trust	The Forestview Trust
HJM Acquisition, LLC	Alanmore Equity Ventures
The Leelanau Trust	JB Enterprises
Leelanau Holdings LTD	Millenium Investments, Inc.
Leelanau Limited	BOCM Warehouse Credit Facility
Sepulveda and Smith Securities, Inc.	Trustee M&T Bank
National Policy Exchange	Perfect PAK
Ogopogo Investment Fund	Bilston Overseas, LTD
Ogopogo Investment Holdings	Calliope Investment Fund
Caicos Covenants, Ltd	Trustell Limited
The Custodial Corporation	Barbican Trust
Centurion Trust	Michener Enterprises, LTD
Andorra Trust	Jersey Trust
Toko-Ri Investments Ltd.	Gabriola Equity Fund
Inward Investments LTD	Outbound Investments LTD
The Royal Bank of Canada Trust	Oceanic Bank and Trust LTD

(a) all funds and other assets in the following bank accounts and investment accounts:

Bilston Overseas Ltd. Barclay Bank account # 215948439

Cottage Management Enterprises Star Bank account # 5743-2993-4

Cottage Management Enterprises Huntington National Bank account # 0142137908

DMR Enterprises Mid Am Bank account # 0023109867

DMR Enterprises Mid Am Bank account # 22108847

EJT Properties LLC Capital Bank account # 2032910

EJT Properties LLC Huntington National Bank account # 01472137869

EJT Management LLC Huntington National Bank account # 01472137898

EJT Management LLC Huntington National Bank account # 01472137775

HJM Acquisition LLC SalomonSmithBarney account #713-23315-18-090

Jamco Enterprises Star Bank account # 4836-2339-3

Jamco Enterprises Star Bank account # 5743-2985-0

Jamco Enterprises Sky Bank (Mid Am. National) account # 23109645

Jamieson Asset Management Co. Mid Am Bank account # 23109373

Jamieson Asset Management Co. Mid Am Bank account # 22107583

JRJ Aviation & Leasing LLC Huntington National Bank account # 01472137872

Liberte Capital Group SalomonSmithBarney account #713-09318-14-090.

Liberte Capital Group Star Bank account # 5734-5052-5

Liberte Capital Group Star Bank account # 5734-5054-1

Liberte Capital Group Star Bank account # 5734-3008-0

Liberte Capital Group Star Bank account # 5711-0073-4

Liberte Capital Group Star Bank account # 03-0024882

Liberte Capital Group Star Bank account # 5738-9177-7

Liberte Capital Group Star Bank account # 5743-2985-0

Liberte Capital Group Star Bank account # 5743-3034-6

Liberte Capital Group Key Bank account # 352141004346

Liberte Capital Group Key Bank account # 352141004353

Liberte Capital Group Fifth Third Bank (Capital Bank) account # 2026615
Liberte Capital Group Fifth Third Bank (Capital Bank) account # 2030831
Liberte Capital Group Fifth Third Bank (Capital Bank) account # 0617019

Liberte Capital Group Huntington National Bank account # 01472137856
Liberte Capital Group Huntington National Bank account # 01472137885

Liberte Capital Group Capital Bank account # 2035491
Liberte Capital Group Capital Bank account # 2032803

Midwest Viatical Management Co. Capital Bank account # 7002354012

National Policy Exchange Wells Fargo / Norwest Bank accounts

Policy Holding Services SalomonSmithBarney account # 713-01418-10-090
Policy Holding Services Mid Am Bank account # 627128

Portfolio Liquidation Services Liberty Bank account # 01-2-500221

RJ Management Star Bank account # 5738-9176-9
RJ Management Fifth Third Bank (Capital Bank) account # 2031490
RJ Management Key Bank account # 352141004601

RJ Properties Key Bank account # 352141004619

Summit Street Group LLC Huntington National Bank account # 01472137843

Viatical Exchange, LLC Star Bank account # 5738-9193-4

Village Properties Sky Bank (Mid Am. National) account # 22108843

(b) the following real property:

(1) 4333 Forestview Drive, Village of Ottawa Hills, Ohio, more particularly described as:

All that part of Lots numbered nineteen (19), twenty (20) and twenty-one (21), in Block B, Plat No. 6 of Ottawa Hills, and Addition in the Village of Ottawa Hills, and Addition in the Village of Ottawa Hills, Lucas County, Ohio, being more fully described as follows:

All of Lot number nineteen (19), the southwesterly thirty (30) feet of Lot number twenty (20), and all of Lot number twenty-one (21) excepting there from a triangular portion in the northeast corner thereof measuring one hundred six and ninety six hundredths (106.96) feet on the northerly line and one hundred fourteen and fifty six hundredths (114.56) feet on the easterly line.

(2) The property formerly known as 2727 Talmadge Road, Village of Ottawa Hills, Ohio, more particularly described as:

Lot No.22, Block B, Plat No. 6 of Ottawa Hills, an Addition in the Village of Ottawa Hills, Lucas County, Ohio, same being recorded in Volume 43 of Plats, page 17.

T.D. 88 Parcel 10791

(3) 4208 N. Manitou Trail, Leland Michigan.

(c) the following motor vehicles:

1994 Jeep Wrangler SE, 1J4FY29S1RP429343 (License plate no. 4LELAND)

3. The Following Personal Assets of JOHN RICHARD JAMIESON and All Later Identified Personal Assets, including but not limited to:

(a) Bank / Investment Accounts

John Richard Jamieson Sky Bank (Mid Am National) account # 23109480
John Richard Jamieson Sky Bank (Mid Am National) account # 22107586

John Richard Jamieson Fifth Third (Capital Bank) account # 16584
John Richard Jamieson Fifth Third (Capital Bank) account # 616573

John Richard Jamieson Huntington National Bank account # 03478610744

John Richard Jamieson Salomon Smith Barney, account # 713-15078-11-090
John Richard Jamieson Salomon Smith Barney, account # 713-15078-29-090

John Richard Jamieson Charles Schwab IRA account # CL 4700-1124

Salomon Smith Barney, account # 21404037-14-390, including all proceeds from
the sale of 4208 N. Manitou Trail, Leland, Michigan.

SG Cowen Securities Corporation account # 45570081 (aka # KK-00702-1)

(b) Motor vehicles / Boats

1999 Ford 15V Van, VIN 1FDRE14L5XHB63186, License plate no. MGOBLUU
1999 Sea Ray Boat Ser. # 7398G899
1998 Sea Doo Ser. # ZZN88187C898
1997 Sea Doo Ser. # ZZNJ4079E797
1999 Trailmaster Trailer VIN 45JD1ET21X1003083
2000 Trailmaster Trailer VIN 45JD1EU21Y1002631

(c) Personal Property

8,900 shares of Tera Computer Co.
100,000 shares of Consolidated Capital of North American, Inc.
Shares of Mid Am Bank stock
Shares of Com VU Corporation
Shares of Unigene Laboratories, Inc.
Interest in SIFCO Industries, Inc.
Security Connecticut Life Insurance Co. Life Insurance Policy # 2232195
Security Connecticut Life Insurance Co. Life Insurance Policy # 2249973X

All furnishings and personal property located in and/or associated with 4333
Forestview, Village of Ottawa Hills, Ohio, purchased since December 1996.

All furnishings and personal property located in and/or associated with 4208 N.
Manitou Trail, Leland Michigan purchased since December 1996.

4. Substitute Assets:

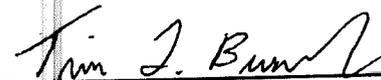
If any of the forfeitable property described above, as a result of any act or omission of the defendant:

- (a) Cannot be located upon the exercise of due diligence;
- (b) Has been transferred or sold to, or deposited with, a third party;
- (c) Has been placed beyond the jurisdiction of the court;
- (d) Has been substantially diminished in value; or
- (e) Has been commingled with other property which cannot be subdivided without difficulty,

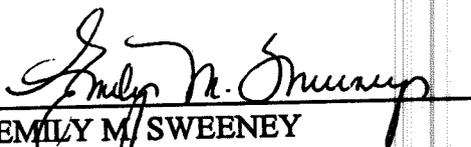
it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b)(1) to seek forfeiture of any other property (commonly called "substitute assets") of said defendant up to the value of the above forfeitable property.

All forfeitable pursuant to Title 18, United States Code, Section 982 and Title 21 U.S.C. § 853.

A True Bill.



Foreperson



EMILY M. SWEENEY
United States Attorney