



Florida & International Corporate & Financial Fraud Investigators

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Opening Report
 Interim Report
 Closing Report

Interview Memorandum
 Analysis Memorandum
 Surveillance Report

Collateral Request
 Affidavit/Declaration
 Other

Report Number: [REDACTED]

Opened: [REDACTED]

Closed: Ongoing

Case Agent: Bill E. Branscum

Client: [REDACTED]

Report Title: Institute of Global Prosperity; Robert Rocco La Spada, et al.

Synopsis:

This case was initiated by the [REDACTED]

They provided Oracle International [the Agency] documents related to certain investment schemes and financial entanglements that the Firm's Clients have become involved in through the Institute of Global Prosperity and investment promoter Robert La Spada.

The Firm specializes in international investment scams and securities issues. In this case, the Firm reported that they represent an ad hoc coalition of investors who entrusted La Spada with several hundred thousand dollars. Most of the Clients have recovered their principal investment, but none received the interest they were represented to have earned. One member of the coalition appears to have been outright defrauded.

The Agency is familiar with the Institute of Global Prosperity as being one of the world's most vocal promoters of the collection of income tax related myths and legends that tax protesters continue to proclaim as gospel. These "tax secrets," are hyped and promoted in spite of the fact that they have been dispositively disposed of as "frivolous arguments" in U.S. courts. In addition to serving as a forum for this nonsensical "tax protester" rhetoric, these seminars afford various swindlers and con men an opportunity to "pitch" their frauds and scams to a "pre qualified" audience.

This report focuses primarily upon the Institute of Global Prosperity, and it's associations with Keith E. Anderson (Anderson's Ark), and the Harris Organization. A report focusing on scam promoters; La Spada, Ptak, Glover, et al., will follow.

Please visit our web site at <http://www.OracleInternational.com>

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Introduction:

██████████ provided the Agency with a collection of documents related to certain investment schemes and financial entanglements that the Firm's Clients, an ad hoc coalition of investors, became involved in through **Robert La Spada**, and other investment promoters they met through the **Institute of Global Prosperity**.

They agency has previously investigated **The Institute of Global Prosperity**, formerly known as **Global Prosperity Group**. It has also been known as **GPG**, **Global Prosperity Marketing Group**, **GPMG**, and the **Global Group**. This entity is hereinafter collectively referred to as **Global**.

The major players in **Global** are/have been **Lorenzo "Zo" J. La Mantia**, **David Struckman**, **Keith E Anderson**, and **Daniel P. Andersen**. Note that **Keith E. Anderson** is the Anderson that established **Anderson's Ark and Associates** in Costa Rica. **Global** is also associated with the **Harris Organization** in Panama.

Although the Clients do not identify their losses with **Keith Anderson** and/or **Anderson's Ark**, the connection is significant and may impact dramatically upon the Firm's strategy and position since **Anderson** was extradited to the United States a few days ago (December 4, 2002), his brother (**Wayne Anderson**) was recently sentenced to serve much of the rest of his life in a federal prison, most of his key people have been incarcerated, and his offshore empire has crumbled.

Global appears to be derivative of the relationship that **Daniel P. Andersen** and **David Struckman** had with **Investors International**, a notorious scam operation promoted by **Rudolph Linschoten**, a/k/a **Rudolph Van Lin**, of Newport Beach, Calif. **Rudolph Linschoten** and **Marshall Ronald**, a British lawyer, apparently defrauded about 200 investors of approximately \$6M. They have since been indicted on federal charges of money laundering and securities fraud. **Linschoten** was also targeted by the SEC in 1999, and ordered to repay investors \$5.8M.

Global participants who review the **Linschoten** scam will recognize the similarities. His potential investors attended seminars on cruise ships where they were "taught" how they could double their money. **Andersen** has publicly admitted that he and **Struckman** started out with **Linschoten** but he claims that they divorced themselves from him do to questions they had related to his ethics.

Global is, and has been, a major player in the genre of "secret financial strategies" and offshore tax evasion scams marketed via pyramid scheme promotion. They have been one of the world's most vocal promoters of the collection of income tax related myths and legends that tax protesters continue to proclaim as gospel.

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Unfortunately, these “tax secrets,” are hyped and promoted in spite of the fact that they have all been dispositively disposed of as “frivolous arguments” in U.S. courts. Those who accepted these representations as truths have faced significant consequences. It has been reported that a number of people have committed suicide.

Dan Andersen has publicly described **Global** as a forum where potential investors can meet with entrepreneurs with innovative ideas. He also has described it as a legitimate source of tax information and investment advice. The reality is that **Global**, much like **Investors International**, holds seminars in exotic places where the true believers rally round and sing the system’s praises to new initiates while (more or less) independent hucksters promote their particular schemes to the attendees.

The **Global** seminar programs begin at Level 1 or “G-1.” G-1 initiates purchase a 12 hour series of tapes for \$1250, described by **Global** as being financial information and investment secrets. In addition, G1 investors become entitled to sell the tape package to their friends and neighbors keeping 80% of the sales price. **Global** promises to refund the money of any unhappy investor as a “10 day, money back guarantee” but that seems (judging by the litany of complaints) to be an empty promise. Level 1 tape sales are believed to have generated about \$100M in revenues.

Global offers a “G2” package of financial success secrets. These secrets are conveyed during three-day seminars in Cancun to **Global** acolytes who pay \$6,250 to hear pitches put together, and delivered, by a rogues gallery of promoters. Investigators believe that these seminars have generated about \$200M in revenue.

Global offers their true believers a “G3” package allowing them to pay \$18,750 for more secrets, and the privilege of spending a full week in the Bahamas, or Bermuda, being pitched to by the never ending parade of scam artists that **Global** attracts.

At least one “G4” summit was planned for Jekyll Island, GA; this seminar was promoted at \$37,500. Jekyll Island represents a twisted sort of Mecca for those willing to believe that The New World Order established the Federal Reserve in 1910 during a secret meeting on Jekyll Island attended by a cartel of international bankers, as a means of controlling governments and benefiting the wealthy, at the common man’s expense.

This is the essence of the story, as laid out in [The Creature from Jekyll Island](#), a **Global** cult classic, promoted as being second in significance only to the Bible. Written by **G. Edward Griffin**, a masterful proponent of conspiracy theory, this book promises to provide a “complete report on the secrets of the international monetary system” and encourages everyone to believe that, *“You don't have to be dumb to be a Christian or a good Catholic.”*

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On March 31, 2002, **Global** officially went out of business, replaced by **Pinnacle Quest, International (PQI)**. At the official introductory gathering at the Hyatt Hotel in Bellevue, Washington, earlier this year, the Speakers included: **Bill Benson, Tim Madden, Sherry Jackson, Kenny Wayne, Robby Struckman, Ben Graydon, Fredric Lehrman** and Executive Committee Members, **Dave Struckman** and **Claudia Hirmer**.

Global/Pinnacle also appears to have contemporaneously matriculated into “**Stratia**,” which is actually a group of entities established in Nevada during the month of April, 2002, by Michael Connaway, et al.

Global’s name change games notwithstanding, they are currently the target of a federal grand jury investigation and indictments are anticipated.

It was through the **Global** seminars that the Clients met **La Spada** and other promoters of various investment offerings. The Clients collectively entrusted **La Spada**, et al., with several hundred thousand dollars in investment capital based upon his representation that he was managing a successful high yield investment program called the **International Foundation Fund** through his business entity, the **Camelot Investment Trust Company, Ltd.**, ostensibly incorporated in **Nevis, West Indies**, doing business at: **Balboa Plaza, Suite 301, Balboa Ave., Panama City, Panama**.

Most of the investors represented by the Firm have recovered their principal investment, but one member of the coalition appears to have been outright defrauded. In dealing with the clients, **La Spada** neither revealed, nor acknowledged, his association with the **Harris Organization** in Panama.

The connection between **La Spada** and rogue financier **Marc M. Harris** is undeniable. The **Camelot Investment Trust Co, LTD, Fiduciary Agreement** that **La Spada** provided to the Clients, which is appended to this report as [Exhibit 1](#), provides that the address to be used for correspondence is Balboa Plaza, Balboa Ave., Panama. Investigation reveals that the **Harris Organization** was evicted from offices in Panama on June 20, 2002. In reviewing the [Eviction Notice](#) appended hereto as [Exhibit 2](#), note that the address occupied by the **Harris Organization** was Balboa Plaza, Balboa Ave., Panama.

Also, one of the Clients relates that they were contacted by **Rolando Nunez** representing the **Harris Organization** who indicated that they were in possession of the Client’s funds which the Client had entrusted to **La Spada**. The Client reports that **Nunez** faxed them a copy of their account statement and the information was identical to that provided by **La Spada**. Most significantly, the Client provides the fax number used by **Rolando Nunez** of the **Harris Organization** as being 011 507-263-6964.

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Furthermore, La Spada provided the Clients with an **International Foundation Fund (IFF) Prospectus**, and a copy of same is appended to this report as [Exhibit 3](#). In reviewing this Prospectus, note that the fax number for **IFF** is provided as 011 507-263-6964, and the check was to be made payable to **T.W. Finance, SA**, and wired to **Third World Finance, SA**, at Balboa Plaza, Balboa Ave., Panama.

Also note that the “courier” address for the La Spada entity **Crystal Hill Financial**, as referenced in the Prospectus, is Balboa Plaza, Balboa Ave., Panama.

Marc Harris has published a bio on the Internet, and a copy of same is appended to this report as [Exhibit 4](#). In reviewing this document, note that the fax number provided for the **Harris Organization** is 011 507-263-6964.

Investigative Reporter David Marchant, the publisher of Offshore Alert, has investigated the **Harris Organization** and reported on them extensively. His sources provided him with various internal documents which he relied upon to support his published reports. One of these documents, a ledger identifying customers by “Client Names” and “Account Names” who are involved in disputes with the **Harris Organization** is appended to this report as [Exhibit 5](#). On the second page [clearly legible if you use the Adobe Acrobat zoom function] note that **La Spada** is listed as having eight accounts including:

Camelot Investment Trust, CO
International Foundation Fund
Crystal Hill Financial, INC

In addition to the above referenced exhibits, David Marchant has provided the Agency with a number of other documents as well.

The Agency has been involved in various investigations in the past regarding **Global, Anderson’s Ark** and the **Harris Organization**. This report shall serve to apprise the Firm, and the Clients, of the nature and history of these entities, as well as the relationships between them.

The significance of this information will be further explicated in the summation at the end of this report.

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Narrative:

David Wayne Starkey of Claremore, Ok., was a classic true believer and an original member of the **Institute of Global Prosperity**. He was one of their first “Directors,” he faithfully practiced what they preached, and he aggressively promoted the program to others. When this Global “rising star” was indicted, he discovered that the claims and representations upon which he relied were nonviable. He was convicted and incarcerated. His story, which is appended to this report as [Exhibit 6](#), provides an intimate understanding of the **Global** operation, its promotions and their viability. As he now makes clear to all who will listen, the entire program is utterly bogus.

In January, 1997, **Starkey** first became involved with **Global**, then known as **Global Prosperity Group**. **Starkey** reports that **David Struckman** was one of the co-founders and he identifies **Keith Anderson** as one of the main promoters of offshore/tax evasion strategies. He also identifies **Dan Andersen** and **Lorenzo “Zo” Lamantia**.

On February 10, 1998, the South Dakota Division of Securities served **Global Prosperity Group**, 2245 North Green Valley Pkwy, Suite 640, Henderson, NV 89014 with a Cease and Desist Order. A Copy of this Cease and Desist Order is appended hereto as [Exhibit 7](#).

On April 3, 1998, the North Dakota Division of Securities served **Global Prosperity Group**, with a Cease and Desist Order. The Cease and Desist Order was addressed to: **Global Prosperity Group**, Global Leadership Counsel, 2245 North Green Valley Pkwy, Suite 640, Henderson, NV 89014; **Global Prosperity Group**, Global Leadership Counsel, 2000 Benson RD S, BLDG 115, Suite 350, Renton, WA 98055; **Dave and Cindy Lozier**, 15 Mountain View RD, Lozier, WY 82633; **Elizabeth Riley**, 539 Market Hill RD, Amherst, MA 01002; Dael [sic] A. Chapman, 71 Pondview DR, Amherst, MA 01002; **Shoshanna Szuch**, 334 E Bay ST #165, Charleston, SC 29401; **Jeff Eichinger**, 970 Atlantic AVE, Atlantic City, NJ 08401, **Ione Weatherby**, 401 W Pole RD, Lynden, WA 98264.

The North Dakota Cease and Desist Order dated April 3, 1998, alleges that Global, et al., were involved in the selling, or offering for sale, of unregistered securities by unlicensed brokers. A copy of this Cease and Desist Order is appended hereto as part of [Composite Exhibit 8](#).

On April 17, 1998, the North Dakota Division of Securities served **Global Prosperity Group**, with another Cease and Desist Order. The Cease and Desist Order was addressed to: **Global Prosperity Group**, Global Leadership Counsel, 2245 North Green Valley Pkwy, Suite 640, Henderson, NV 89014; **Louis Font**, Font & Glazer, 62 Harvard ST, Suite 100, Brookline, MA 02106 and **Paul Whealy**, 15560 N Florida BLVD, B4-1171, Scottsdale, AZ 85260.

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The North Dakota Cease and Desist Order dated April 17, 1998, alleges that **Global**, et al., were involved in the selling, or offering for sale, of unregistered securities by unlicensed brokers. A copy of this Cease and Desist Order is appended hereto as part of [Composite Exhibit 8](#).

On April 20, 1998, the North Dakota Division of Securities served **Global Prosperity Group**, with a third Cease and Desist Order. The Cease and Desist Order was addressed to: **Global Prosperity Group**, Global Leadership Counsel, 2245 North Green Valley Pkwy, Suite 640, Henderson, NV 89014; **BJ Bishop c/o Louis Font**, Font & Glazer, 62 Harvard ST, Suite 100, Brookline, MA 02106; **Larry Gabel**, 2488 Shamrock Way, Lawrenceville, GA 30044 and **John Hoffman**, 2442 Walnut ST, Harrisburg, PA 17103.

The North Dakota Cease and Desist Order dated April 20, 1998, also alleges that Global, et al., were involved in the selling, or offering for sale, of unregistered securities by unlicensed brokers. A copy of this Cease and Desist Order is appended hereto as part of [Composite Exhibit 8](#).

On April 24, 1998, the State of Michigan, Department of the Atty. General, Consumer Protection Division, issued a Cease and Desist Order against **Global**. A copy of this Cease and Desist Order is appended hereto as [Exhibit 9](#).

On July 24, 1998, the Commonwealth of Massachusetts, issued a Cease and Desist Order alleging that **Global**, et al., were involved in the selling, or offering for sale, of unregistered securities by unlicensed brokers and operating a pyramid scheme. A copy of this Cease and Desist Order is appended hereto as [Exhibit 10](#).

On August 6, 1998, the State of Oregon, Department of Justice, Financial Fraud Section issued a Letter to **David Struckman**, 1750 Ferndale AVE SE, Renton, WA 97958, alleging that **Global**, et al., were operating a pyramid scheme, demanding that they stop doing business in Oregon and return any funds received or risk paying a fine of \$25,000 for each violation. A copy of this Letter is appended to this report as [Exhibit 11](#).

David Starkey described the events at this point very accurately. In his story, previously referenced as [Exhibit 6](#), he said, *“Then came more problems with different states with the same thing and those states said that we couldn’t sell Global any more and some were saying the fine would be \$25000.00 per occurrence. Struckman, Anderson and Lamatius [sic] took action and changed the name to I.G.P. and came out with new tapes and got into a big fight with Keith Anderson[sic].”*

Anderson is the author of the Gateway to Financial Freedom tapes.

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Evidently, it was sometime in the fall of 1998 that the decision was made to change the name of **Global Prosperity Group** to the **Institute of Global Prosperity** thereby circumventing all the Cease and Desist Orders. It would appear that the focus of the Global strategy shifted as well. To that point, it had focused on Keith Anderson's vision of Christianity, tax evasion and asset protection through offshore trusts, but the focus shifted to the "Common Law" tax protester rhetoric espoused by Bill Benson, et al.

Starkey reports that this series of events created dissention between **Struckman** and **Keith Anderson** who left **Global** to "do his own thing." The fact is, **Anderson** went on to do his own thing in a big way – he established **Anderson's Ark** which is the subject of another investigation in which the Agency has been involved.

At this point, **Anderson's Ark** is defunct and most of the major players are serving time. **Keith Anderson** was recently extradited to the US to stand trial.

With regard to **Global**, Starkey went on to say,

"About that time, Global/I.G.P. brought in Bill Benson (a very nice man and friend). He had a series of books and information that said the 16th Amendment was not ratified. Struckman said that you must have this information because it explains how you don't have to file or pay taxes . . . Then came along Judge Rizzo [who] . . . modified Bill's system, he said, and made it better."

On November 8, 1998, **Global** was the subject of a thousand word expose in the Boston Globe. In this newspaper article, a copy of which is appended to this report as [Exhibit 12](#), the article said:

"Global has done something else new: tapped an apparently lucrative underground market of angry, disenfranchised Americans who mistrust the government. Global's tapes and seminars espouse the same kind of fierce antigovernment rhetoric that erupted around the 1993 siege at Waco, Texas. Global claims a corrupt, foreign-controlled US government stands between ordinary citizens and wealth. The group offers ways for members to discard forms of identification such as Social Security cards and driver's licenses and to use offshore trusts to shelter income.

It's brilliant marketing," said Gail Sheppick, enforcement director for South Dakota's securities division, which in February banned Global from operating in the state. "It boggles the mind how much these people lose. And then they won't go to the authorities. When you don't trust the government, who are you going to complain to?"

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At some point during this time period, Starkey was the first of the **Global** Directors to be criminally prosecuted. He says:

“I called Dave Struckman and told him I was under investigation by the I.R.S. for not paying or filing taxes and wanted help on what to do. You see, I am the first Director in Global that had been charged by the I.R.S. and Dave wanted to fight this and prove his material would hold up in court. We started getting all the details and talking to the experts, like Judge Rizzo, and having all of this explained to my attorney. Well, we finally called the attorney that represented Bill Benson and he put out all my hopes. This guy burst my bubble and told me he would LOVE to fight it but it CANNOT be argued in court again. It is what they call “beyond review” which means the 16th Amendment defense is out the door and I mean gone for good! I had no defense and I was in deep trouble.”

This is particularly interesting. Starkey said that **Bill Benson** came aboard the Global train, preaching his theories about the 16th Amendment, and other tax protester rhetoric, just before Starkey was prosecuted. When he was indicted, Starkey got together with **Rizzo** and **Struckman** who were eager to “test” their theories in court, but the lawyer who had represented **Bill Benson** made it clear that there was nothing to argue.

If Starkey’s assertions are factual, the conclusion is undeniable. **Benson** was a star performer at **Global** seminars, touting his book and preaching this nonsense at a time when he knew, or should have known, based upon his own personal experience, that it was a totally bogus position that could not even be argued.

On August 20, 1999, State of Missouri, Division of Securities, issued a Cease and Desist Order alleging that **Global**, et al., were involved in the selling, or offering for sale, of unregistered securities by unlicensed brokers. A copy of this Cease and Desist Order is appended to this report as [Exhibit 13](#).

On June 4, 2000, The Toronto Sun published a report characterizing **Global** as a pyramid scheme. The article is appended to this report as [Exhibit 14](#).

On July 2, 2000, the Spokesman-Review published a 2665 word expose on **Global** which is appended to this report as [Exhibit 15](#). In this article, they quote North Dakota Securities Commissioner Syver Vinje as saying,

“What this company really does is tell people how to commit tax evasion and fraud. The tapes and seminars of Global Prosperity are worse than worthless. They could put you in jail.”

On February 8, 2001, IRS agents raided the home of **David Struckman** in **Issaquah, Washington**.

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On March 7, 2001, the San Diego Union-Tribune published a particularly informative article announcing the IRS enforcement actions initiated against **Global** and others. According to this news report, IRS agents raided the office of **David Struckman** in **Issaquah, WA**. The article is appended to this report as [Exhibit 16](#).

In reviewing this article, note that it debunks whatever claims **Global** may have made to legitimacy based upon the cover story article in Tycoon Magazine. The Editor of the magazine indicated that it was a “paid for” advertisement masquerading as an independent rave review. He said they, “regret that they did that.”

The IRS has since executed search warrants and seized records at several **Global** offices across the country. IRS Commissioner Charles Rossotti said at the time that the raids were part of the largest enforcement action in IRS history. **Daniel P. Andersen, Lorenzo La Mantia**, et al., unsuccessfully sought the intervention of the courts.

They petitioned that the government be enjoined from executing further search warrants, and be required to return the documents seized thus far, claiming that the governmental actions had a “chilling effect” on their right to freely associate. From the standpoint of the Clients, the most significant aspect of the published Ninth Circuit opinion, which is appended to this report as [Exhibit 17](#), may be the acknowledgement that a federal criminal prosecution is underway.

In April 2001, **Net Return, Inc.**, a Dallas based business entity controlled by **Paul Owen Ptak**, reportedly extended \$11.7M in unsecured loans to three business entities controlled by **Joe Harold Glover**;

Talk Productions Network, Inc., see [Composite Exhibit 18](#)

Money Business, Inc., see [Composite Exhibit 18](#)

Digital Information & Virtual Access, Inc., see [Composite Exhibit 18](#)

Curiously, all three **Glover** businesses filed bankruptcy a few days later as evidenced by the exhibits adjacent to the business names above. The IRS and Department of Justice officials are investigating these transactions - it has been reported that **Glover** and **Ptak** caught the attention of federal investigators at **Global** seminars. A relevant newspaper article is appended to this report as [Exhibit 19](#).

On May 3, 2001, an Indictment was returned in the Eastern District of California alleging that **Keith E. Anderson, Anderson’s Ark and Associates**, et al., had conspired to commit money laundering through Costa Rica. The DOJ Press Release published after **Anderson** was arrested is appended to this report, see [Composite Exhibit 20](#).

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On July 25, 2001, Accountant **Roy Lentz** pled guilty on charges that he had conspired to defraud the Internal Revenue Service in connection with his work at **Anderson's Ark**. As part of his Plea Agreement, **Lentz** admitted that he participated in an illegal tax scheme and he agreed to cooperate with the government and his Guilty Plea was sealed. The DOJ Press Release published when the plea was unsealed is appended to this report, see [Composite Exhibit 20](#).

On October 16, 2001, Accountant **Roosevelt L. Drummer** pled guilty on charges that he had conspired to defraud the Internal Revenue Service in connection with his work at **Anderson's Ark**. As part of his Plea Agreement, **Drummer** admitted that he participated in an illegal tax scheme and he agreed to cooperate with the government. His Guilty Plea was sealed. The DOJ Press Release published when the plea was unsealed is appended to this report, see [Composite Exhibit 20](#).

Drummer had been previously convicted on federal charges of conspiracy, making false statements and securities fraud. In 1994, US District Court/Sacramento Judge Edward J. Garcia sentenced him to serve a year in prison.

On November 19, 2001, a criminal Complaint was filed in the Western District of Washington against **Keith E. Anderson** alleging that **Anderson's Ark and Associates** had obtained approximately \$28M in illegal tax refunds for more than 1500 clients from 1998 to 2001 and had approximately \$50M of client's funds under management. The DOJ Press Release published when the Complaint was unsealed is appended to this report, see [Composite Exhibit 20](#).

On February 9, 2002, **Keith E. Anderson** was arrested in Costa Rica and held for extradition. The DOJ Press Release published following his arrest is appended to this report, see [Composite Exhibit 20](#).

On February 11, 2002, the Department of Justice's Tax Division announced that a criminal Complaint had been unsealed in Seattle alleging that **Keith E. Anderson** was the founder of **Anderson's Ark**, which they had characterized as a nationwide abusive tax shelter promotion scheme. He was charged with conspiring to defraud the United States by organizing a group of accountants who used a variety of shell corporations, trusts and partnerships, to operate tax shelter schemes they sold to their clients. The DOJ Press Release is appended to this report, see [Composite Exhibit 20](#).

On March 5, 2002, **Michael Gonet** of Stow, Massachusetts pled guilty to money laundering related to **Anderson's Ark** in the District of Massachusetts. The DOJ Press Release is appended to this report, see [Composite Exhibit 20](#).

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On March 31, 2002, **Global** officially went out of business, replaced by **Pinnacle Quest, International (PQI)**. At the official introductory gathering at the Hyatt Hotel in Bellevue, Washington, earlier this year, the Speakers included: **Bill Benson, Tim Madden, Sherry Jackson, Kenny Wayne, Robby Struckman, Ben Graydon, Fredric Lehrman** and Executive Committee Members, **Dave Struckman** and **Claudia Hirmer**. A lawsuit has already been filed against **Pinnacle Quest** in Arizona. The [Complaint](#), in PDF format, is appended hereto as [Exhibit 21](#).

On April 22, 2002, Squaw Valley California residents **Terri Yvonne Lewis** (42), and **Steven Lyle Anderson** (37), each pled guilty in US District Court/Fresno to charges related to conspiracy and obstruction of justice. The defendants are children of **Wayne Anderson** and they were charged with shredding documents and erasing computer files in an effort to thwart a federal grand jury investigation. The DOJ [Press Release](#) is appended to this report, see [Composite Exhibit 20](#).

On April 28, 2002, **Karolyn Grosnickle**, a 59 year old woman from Hoodspport Washington, pled guilty in connection with her role in the Anderson's Ark money laundering scheme. In her [Plea Agreement](#), Grosnickle, who had been the Chief Administrative Officer of **Anderson's Ark**, admitted to laundering \$60,000 in cashier's checks which were routed through a bank account in Arizona to a bank account in Costa Rica. She agreed to cooperate with government authorities and was subsequently sentenced to serve twenty-six (26) months in prison, to be followed by a three year term of supervised release, The DOJ [Press Release](#) is appended to this report, see [Composite Exhibit 20](#).

Global/Pinnacle also appears to have contemporaneously matriculated into "**Stratia**," which is actually a group of entities established in Nevada during the month of April, 2002, including:

- **Stratia Corporation**, (see [Composit Exhibit 22](#))
4160 S. Pecos, #20, Las Vegas, NV 89121
Skye Manor, Pres, Sec, Treas., at corporate address
USA Corporate Services, INC, Director, at POB 58975, Seattle, WA
- **Stratia Publishing Company, LLC** (see [Composite Exhibit 22](#))
#20 4160 S. Pecos, Suite 20, Las Vegas, NV 89121
Members: **Michael Connaway, Glenn Kimball, Kenneth Hibben**
- **Stratia Education, LLC** (see [Composite Exhibit 22](#))
#20 4160 S. Pecos, Suite 20, Las Vegas, NV 89121
Members: **Michael Connaway, Glenn Kimball, Kenneth Hibben**

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- **Stratia Group, LLC** (see [Composite Exhibit 22](#))
#20 4160 S. Pecos, Suite 20, Las Vegas, NV 89121
Members: **Michael Connaway, Glenn Kimball, Kenneth Hibben**

- **Stratia Media, LLC** (see [Composite Exhibit 22](#))
#20 4160 S. Pecos, Suite 20, Las Vegas, NV 89121
Members: **Michael Connaway, Glenn Kimball, Kenneth Hibben**

- **Stratia Travel, LLC** (see [Composite Exhibit 22](#))
#20 4160 S. Pecos, Suite 20, Las Vegas, NV 89121
Members: **Michael Connaway, Glenn Kimball, Kenneth Hibben**

- **Stratia Corp, LLC** (see [Composite Exhibit 22](#))
#20 4160 S. Pecos, Suite 20, Las Vegas, NV 89121
Members: **Michael Connaway, Glenn Kimball, Kenneth Hibben**

- **Stratia Busines Services, LLC** (see [Composite Exhibit 22](#))
#20 4160 S. Pecos, Suite 20, Las Vegas, NV 89121
Members: **Michael Connaway, Glenn Kimball, Kenneth Hibben**

Yet another Global spinoff comes in the form of **IRS Codebusters**. This entity was established by **Robbie Struckman, Dave Struckman**'s son and it aggressively advocates the nonpayment of federal income tax. I did not identify a corporation, d/b/a, LLC or partnership by this name, but <http://www.irscodebusters.com/about.us.htm> is their web site. Web profile registration information is appended as an [Exhibit 23](#).

If they close down, or move, the web site, it is appended to this report as an [Exhibit 24](#). In addition to proffering the same tax protester rhetoric as has been offered by **Global** in the past, they offer a link to "Cases," which one would presume to be their success stories. In actuality, this link takes you to just one case, the Appellate case of **Elton Howard Silkman** where his tax conviction was Reversed and Remanded on a technical point.

This technical legalese could be perceived as some sort of impressive victory, and perhaps web site visitors see it as such, but Struckman fails to mention the completely non-technical reality that after **Silkman**'s conviction was reversed [Exhibit 24a](#), he got a new trial, he was again convicted, his conviction was affirmed [Exhibit 24b](#) and the US Supreme Court denied Certiorari [Exhibit 24c](#).

In actuality, for any tax protester organization to cite **Elton Harold Silkman**'s tax case history, as if it supported their cause, is even more misleading than the examination of the specific appellate case cited by **IRS Codebusters** reveals.

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In 1974, **Silkman** first elected to apply these “tax evasion” strategies. He filed a return containing no information, citing his Constitutional objections. The IRS was not amused. In 1976, **Silkman** appealed (pro se) the tax court decision and the Eighth Circuit Court of Appeals addressed the issues. A review of this decision, appended to this report as [Exhibit 24d](#), dispositively resolves many of these “tax secrets” issues. The Court stated as follows:

It is well settled that an individual may not refuse to submit to questioning on the basis of a general objection or claim of constitutional privilege when summoned to appear before an Internal Revenue agent under 26 U.S.C. § 7602. *United States v. Jones*, 538 F.2d 225 (8th Cir. 1976).

A taxpayer's return which does not contain any information relating to the taxpayer's income . . . is not a return within the meaning of the Internal Revenue Code or the regulations adopted by the Commissioner. *United States v. Porth*, 426 F.2d 519, 523 (10th Cir. 1970); *United States v. Daly*, 481 F.2d 28, 29 (8th Cir.), cert. denied, 414 U.S. 1064, 38 L. Ed. 2d 469, 94 S. Ct. 571 (1973).

A taxpayer cannot refuse to disclose any information at all, *United States v. Sullivan*, 274 U.S. 259, 71 L. Ed. 1037, 47 S. Ct. 607 (1927); *Heligman v. United States*, 407 F.2d 448 (8th Cir.), cert. denied, 395 U.S. 977, 23 L. Ed. 2d 765, 89 S. Ct. 2129 (1969), even though it may be permissible to refuse to disclose the source of the income on Fifth Amendment grounds. *Garner v. United States*, 424 U.S. 648, 96 S. Ct. 1178, 47 L. Ed. 2d 370 (1976).

The taxpayer also contends that the selection of his tax returns for an audit was discriminatory. This claim is without merit because the Internal Revenue Service is under a statutory mandate to investigate whenever it appears that an individual may be liable to pay an income tax. 26 U.S.C. § 7601.

Finally, we find no merit in the taxpayer's contention that he is not an individual required to pay taxes because he is engaged in the common law occupations of farming and ranching. The Sixteenth Amendment broadly grants Congress the power to collect an income tax regardless of the source of the taxpayer's income.

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On May 31, 2002, **Wayne Anderson**, a sixty-three year old man from Squaw Valley, California and **Richard Marks**, fifty-nine year old man from Sacramento, California, were convicted, following a two-week jury trial, of money laundering and conspiracy to commit money laundering. **Wayne Anderson**, **Keith Anderson**'s brother, was the second in command at **Anderson's Ark** and **Marks** was their chief accountant. **Wayne Anderson** was subsequently sentenced to serve fifty-nine (59) months and **Marks** was sentenced to serve eighty-one (81) months. The DOJ Press Release announcing the sentencing is appended to this report as [Exhibit 20d](#).

Richard Marks was subsequently indicted in US District Court, Central District of California for being a felon in possession of a firearm. **Marks** was previously convicted of Bankruptcy Fraud in US District Court/Sacramento in 1993. Judge David F. Levi sentenced him to serve 15 months.

On July 19, 2002, New Jersey resident **Richard L. Castellini** was convicted of money laundering and conspiracy charges following a two week trial in US District Court/Boston. The DOJ Press Release is appended to this report as [Exhibit 20c](#).

On December 4, 2002, The US Department of Justice announced that **Keith E. Anderson** had been extradited from Costa Rica and was in US custody. He currently faces two separate criminal prosecutions; he is charged with Conspiracy to Defraud the United States in US District Court, Western District of Washington/Seattle and he is charged with Conspiracy to Commit Money Laundering in the Eastern District of California/Seattle. A copy of the DOJ Press Release is appended to this report as an [Exhibit 20e](#).

On December 10, 2002, more arrests were made including Tara Lagrand, a 50 year old accountant who was arrested at her home in Naples, Florida. She is charged with conspiracy to defraud the government and aiding and assisting the filing of false income tax returns. Prior to her arrest, Lagrand operated out of the Lagrand Accounting & Tax office at 12693 U.S. 41 E. The Indictment alleges that she was a Planner for Anderson's Ark and a frequent speaker at seminars held by the organization. She is alleged to have filed bogus returns for seven partnerships and six individuals, requesting bogus tax refunds of more than \$600,000. A copy of the DOJ Press Release is appended to this report as an [Exhibit 20f](#).

Keith E. Anderson has not yet pled or been convicted, but he will undoubtedly attempt to negotiate a Plea Agreement that will allow him to avoid dying in jail. His situation is exacerbated by the fact that he is a convicted felon – in 1990, he was convicted of conspiracy and taking property under false pretenses in North Carolina while using the alias, **Phillip Barrett**.

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Summation:

The fact is, the vast majority¹ of those who promote offshore tax havens, offshore asset protection trusts, offshore banks, high yield investment programs (HYIP), freedom from taxation strategies, alternative currencies, etc., are a collection of networked swindlers. Unfortunately, the sheer volume of these widely, and blatantly, promoted frauds and scams provides an illusion of legitimacy where there is none.

It's big business, mostly because enforcement authorities do not have the wherewithal to protect people from themselves. Cease and Desist Orders are largely meaningless to those who change their business names as if they were soiled shirts, and criminal prosecution is expensive as well as time consuming.

Had these promoters limited themselves to swindling gullible investors, they might have gone on indefinitely, but their organizations act, and encourage others to act, to defraud the United States. They have, therefore, become a priority for federal law enforcement authorities.

Keith Anderson is a self professed; patriot, Christian, financial genius, trust guru and expert on "Common Law." The reality is, Anderson is a convicted felon who knew how to work a crowd, persuading investors to accept his tax related protestations and proclamations presented in seminars which have been described as "evangelistic." The truth is, he and his co-conspirators, were nothing more than hi-tech purveyors of snake oil, charismatic preachers of "prosperity," and "tax freedom," who generated tremendous revenues hosting international Holy Rollin' Rip-off Revivals.

He is currently in US custody pending trial. He is, no doubt, negotiating his Plea Agreement as we speak – whatever else he is, the man does not appear to be a fool; it would be uncommonly foolish for any man in his position to refuse to plead guilty and cooperate with governmental authorities. That, of course assumes that the offer is available. The government has a "slam dunk" case and they may choose to make an example of him.

Marc Harris is another flamboyant flim-flam artist who understood that image is everything in the world of theft by persuasion. His "Harris Organization" served to "back office" a host of offshore swindlers and thieves. Robert Rocco La Spada was one of his Clients, the "Third World" account he used was a Harris Organization account and the office address that La Spada provided to the Firm's Clients was the Harris Organization's address in Panama. Harris recently relocated from Panama to Nicaragua where he now operates under the name of the Mitchell Astor Gilbert Trust Company.

¹ I say, "the vast majority" but I have yet to see a legitimate operation of this type

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Global associates Struckman, LaMantia, Andersen, Connaway, et al., continue to do business. As has always been their modus operandi, they responded to governmental sanctions, search warrants and grand jury subpoenas by reorganizing under new names. I see limited potential for recovery but, in the event that the Firm chooses to proceed with these inquiries, an investigation of their current business structures and business/personal assets will be initiated and the results will follow in a separate report.

Paul Owen Ptak, and Joseph Harold Glover, are promoters known to present investment strategies at Global Seminars. It has been reported that their involvement with Global brought them to the attention of federal authorities, leading to the discovery of the curious nature of their business activities in Dallas. Ptak and Glover have been fully identified, preliminary inquiries have been initiated and further investigation of their current business structures and business/personal assets will be pursued. The results will follow in a separate report.

Robert La Spada and his son, John M. La Spada continue to operate. John La Spada called me and discussed this situation. He made a number of disingenuous representations as well as some interesting admissions. Generally, John La Spada would have it believed that his involvement in his father's operation was minimal, and he did not profit thereby. Robert Rocco La Spada, SR, and his son John M. La Spada, have been fully identified, preliminary inquiries have been initiated and further investigation of their current business structures and business/personal assets will be pursued. The results will follow in a separate report.

It is critical that the Firm determine the true nature of the Client's "investments," and the parties with whom they have dealt, in order to make viable decisions as to how to proceed. In this case, it is reasonable to conclude that there were no real investments, and the representations to the effect that the Clients earned substantial interest were fraudulent fabrications in furtherance of fraudulent solicitations.

The facts are significant, and perhaps determinative, to the Firm. In cases of this nature, there may be significant risks and exposures associated with the "recovery" of anything beyond principal invested and legal expenses. The Firm will evaluate the situation, and discuss strategies, and their potential ramifications, with the Clients.

Finally, I would be remiss in my responsibilities if I did not mention that in most of the cases of this nature in which I have been involved, the Clients were vested in other "programs" that they mistakenly believed to be legitimate. The Agency respectfully suggests that the Firm encourage the Clients to scrutinize their ongoing financial relationships, take steps to extricate themselves from any that seem questionable, and be highly suspicious of any solicitations that they receive.

This investigation is ongoing unless otherwise instructed by the Firm.
