



Domestic and International Financial Investigations

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## **DECLARATION**

I, Bill E Branscum, proffer this Declaration, prepared by me in Paris, France, under penalty of perjury, based upon my personal knowledge and observation, to which I will credibly testify, in which I declare as follows:

### **PRELIMINARY MATTERS**

1. I am Bill E. Branscum, a fifty-two year old Private Investigator, and resident of Collier County, Florida, USA where I have been a resident for more than twenty years.
2. I am retained by Atty. Ross M. Babbitt, 700 West St. Clair Avenue, Hoyt Block, Suite 300, Cleveland, Ohio 44113; (216) 623-6346 (v), (216) 274-9683 (f). Atty. Babbitt represents the interests of Nicole Murphy.
3. Troy David Stratos, known internationally by various aliases, “befriended” Ms. Murphy in the wake of her divorce, and fraudulently divested her of something in excess of ten million dollars (\$10,000,000 USD) that Stratos persuaded her to allow him to invest through fictitious “contacts in Dubai,” as well as more than a million dollars in jewelry through another scheme known as “Collection X.”
4. Investigation reveals that Stratos is a career con artist, who has perpetrated one international fraud scheme after another. As further explicated and supported herein, Stratos is implicated in securities fraud, wire fraud, mail fraud, mortgage fraud, bank fraud, tax evasion, failure to pay over, money laundering and the obstruction of justice.

**BACKGROUND OF DECLARANT**

5. I am a Private Investigator, employed by Oracle International, Florida Agency License A-97-00351. In 1997, I qualified for state licensure based upon prior federal law enforcement experience. I was a Special Agent, U.S. Department of the Treasury.
6. I specialize in financial matters such as; bank fraud, money laundering, securities fraud investment scams, tax offenses, and international schemes to defraud. I have located concealed assets, and assisted in the recovery of fraud losses in various states, London, the Bahamas and New Zealand, and contributed to various criminal prosecutions.
7. As a federal agent, I initiated and conducted investigations involving violations of law as cognizable under the United States Code. I prepared case prosecution summaries, and I participated in numerous and various criminal prosecutions, and civil forfeiture actions, in state and federal courts.
8. While assigned to the FBI Organized Crime Strike Force in Miami, I investigated “boiler rooms,” where telemarketing con artists perpetrated various schemes and artifices to defraud. My specialty was the management of voluminous information.
9. My government experience relates primarily to violations of the United States Code, including, but without limitation, violations of Title 12 (Banking), Title 18 (general), Title 19 (smuggling), Title 21 (narcotics), Title 26 (taxation), and Title 31 (money & finance). I have also conducted investigations related to the unlawful exportation of critical technology, the sexual exploitation of children, and contract murder.
10. I have a relevant academic background. I attended Eastern Kentucky University and was awarded a B.S. Degree in Criminal Justice, graduating “With Distinction.” I subsequently attended the United States Department of the Treasury, Federal Law Enforcement Training Center in Glynco, Georgia. I was the Class Honor Graduate.

**RELEVANT FACTS AND EVENTS**

11. Troy David Stratos [Stratos] is identified as being a forty-two [42] year old male of mixed race, born April 13, 1966, in Sharp Memorial Hospital, San Diego, CA. His Social Security Number, [REDACTED], was issued in California. Stratos is known internationally by various aliases including; Troy David Stafford, Troy David and, most recently, David Burton.



Troy David Stratos

12. According to several witnesses, Stratos claims to be a “billionaire.” His representations regarding his personal finances are various and numerous, but he typically claims to have invested in America Online stock when it was first introduced, and then parlayed the fortune he earned into a vast financial empire by investing in oil thru his close personal contacts with the members of various royal families in the Middle East.

13. Stratos reportedly describes himself as having been a bastard child, one of a pair of twins that his mother tried unsuccessfully to abort. Stratos claims to have somehow managed to survive the abortion that successfully terminated his unborn sibling, but this entire story seems likely to be another of his elaborate fabrications; Stratos was born in 1966, and abortions did not become legal in the United States until 1973.

14. Stratos claims to have never heard the name of his father, Reverend Wiley Murray Burton, until he was eight years old. It is known that he was adopted and raised by his Grand Parents, Leonard and Mary Stafford, who currently reside in [REDACTED], California.

15. The witnesses interviewed thus far paint a picture of an intelligent and charismatic, but terribly conflicted, sociopath described by a former boyfriend as being a "black, homosexual, racist, homophobe." *Several other witnesses have commented that this peculiar characterization is remarkably accurate.*

16. Apparently, Stratos connected with his father, Reverend Burton, and his stepmother, acclaimed jazz singer, Nancy Wilson, as he used his relationship with Nancy Wilson as the basis for some of his first schemes to defraud, specifically, "The Nancy Wilson Project."

17. Stratos is joined, and supported, in his various schemes to defraud by Richard A. Chamberlain, a writer better known by his *nom de plume*, Richard A. Hack. Hack is further identified as being a sixty-three (63) year old white male, born March 20, 1945. His Social Security Number, [REDACTED], was issued in Pennsylvania.



Richard A. Hack

18. Hack is a published author who describes himself as having been "mentored by Truman Capote." He has written a number of books including, *Puppetmaster: The Secret Life of J. Edgar Hoover*, as well as *Hughes: The Private Diaries, Memos and Letters* and, *When Money Is King: How Revlon's Ron Perelman Mastered the World of Finance to Create One of America's Greatest Business Empires, and Found Glamour, Beauty, and the High Life in the Bargain*. He also co-authored, *Jackson Family Values: Memories of Madness*.

19. Hack lends a significant amount of credibility to the Stratos' scams that Stratos, who has never actually produced anything, would otherwise lack
20. In or about July, 1999, Stratos was on the island of Maui with Hack, where they falsely represented that they were working on "Plantation," which they described as a being a television series similar to "Dallas," but set in Hawaii. Hack and Stratos represented themselves to be the writer and producer, respectively, and it is reported that they were actively seeking investors to underwrite their "Plantation" project.
21. As part, and in furtherance, of their scheme to defraud, Stratos contacted Maui Realtor Dennis Rush, and expressed an interest in purchasing Maui real estate. Specifically, Stratos indicated that he wanted to buy several, multi-million dollar, ocean front, properties. Stratos represented to Realtor Rush that he, and his family, had been in the entertainment business for many years and had become very wealthy. In support of this representation, Stratos offered the fact that Nancy Wilson, the acclaimed jazz singer of the Frank Sinatra era, was his stepmother.

**THE SWORN STATEMENT OF MAUI REALTOR DENNIS RUSH**

22. I identified, located and interviewed Maui Realtor Dennis Rush who provided a Sworn Statement to the effect that Stratos represented to Realtor Rush that, among other things, he owned the entire catalog of Nancy Wilson's music, having paid Sony two million dollars (\$2,000,000) for the rights to everything she had recorded, including her signature song, "If I Had My Way." Stratos claimed to be in the process of producing her "come back" tour, which he referred to as the "Nancy Wilson Project."
23. Based upon these representations, bolstered by Stratos' apparent wealth, the support and corroboration of Stratos' representations by Richard Hack, and the personal

- involvement of Nancy Wilson herself, Rush was persuaded to invest \$1,900,000 in the Nancy Wilson Project which was guaranteed to be repaid within ninety (90) days.
24. Realtor Rush reports that he subsequently discovered that he had been the victim of an elaborate fraud. Stratos bought no properties, "Plantation" has yet to be produced, and Sony stopped the production of the "Nancy Wilson Project" because, contrary to his fraudulent representations, Stratos did not own actually any rights to anything.
25. On May 25, 2000, Dennis Rush, on behalf of himself, and his corporate entity, Results Productions, LLC, filed suit against Stratos, and his corporate entities; Stratosphere Productions, Inc., Stratosphere Filmworks, Inc., Stratosphere Soundworks, Inc, Atmosphere Management, LLC, and Nancy Wilson.
26. Apparently, Nancy Wilson was an unwitting participant in the fraud, victimized by her stepson. She was forced into filing bankruptcy, and she ultimately settled with Rush who continues to try to collect a \$2,100,000 Judgment against Stratos.
27. Rush stated, ***"Since 1999, I know of nothing that has ever been successful for Troy Stratos, anything that has ever gotten off the ground. In all of his con schemes, none have ever done anything . . . he has hurt so many individuals, so many families, he has no compassion for anyone and really, really is the smoothest con man I have ever seen."***
28. Rush reports that Stratos relocated to Vancouver, British Columbia, where he established offices for his company, Next Level Media.
29. Next Level Media, and Stratos' presence in Vancouver, British Columbia, served as the platform for Stratos to defraud Vancouver resident Viive Truu of approximately Sixteen Million Dollars (\$16,000,000 USD)

**The Sworn Statement of Tamara Hegan**

30. I identified, located and interviewed Tamara Hegan, who was formerly employed by Stratos at Next Level Media/Vancouver. Ms. Hegan provided a Sworn Statement in which she reports that she first met Stratos in September, 2002, when she applied for a position with Next Level Media/Vancouver as a Receptionist.
31. At that time, September 2002, NLM/Vancouver was officed in a large commercial suite in the Waterfall Building, West Second Avenue, Vancouver, British Columbia, Canada.
32. Stratos represented himself to Ms. Hegan as being a “Producer” of music, music videos, television shows and movies, who had relocated to Vancouver because Vancouver has a well established movie industry. Ms. Hegan states that Stratos referred to himself as being a millionaire or a billionaire, depending upon audience and circumstance, claiming to have made his fortune in the entertainment industry.
33. Ms. Hegan states that she saw signs of great wealth, and she describes an opulent lifestyle where Stratos spent money lavishly on himself, and those around him. She specifically describes an event where NLM “talent,” John Prescott, and Stratos’ boyfriend, Thierry Pepin, visited Vancouver. Stratos took them, and the office staff, to an exclusive Vancouver restaurant where lunch was served at \$100 per plate.
34. Ms. Hegan stated that she was initially hired as a Receptionist, but her position evolved to “Office Coordinator,” which essentially involved managing Stratos’ life, and arranging for his personal and business related needs. She specifically described being made to purchase “baby wipes” for Stratos because he did not like toilet paper, and being forced to interview Stratos’ boyfriends regarding their past sexual activities to include ***“complete descriptions of any sexual acts that they may or may not have completed in pornographic movies.”***

35. Ms. Hegan reports that these bizarre assignments made here extremely uncomfortable but, being a young mother with a baby, she felt compelled to do as she was told.
36. Ms. Hegan reports that, although she never met Richard Hack personally, she coordinated telephone conference calls, and trips where Stratos visited Hack in Provincetown, Massachusetts. She states that she understood that Hack and Stratos has once had a romantic relationship, but she saw no evidence that the romantic nature of the relationship was still ongoing during the year that she knew them. She described them as “business partners,” involved in the promotion of various schemes to defraud.
37. Interestingly, especially in light of subsequent statements, she describes Hack as managing the money – she says that Hack sent Stratos money related to the various projects that they were working on, not vice versa. Ms. Hegan describes some of the Stratos/Hack schemes to defraud as being:
- “Plantation,” the television series; and
  - The Revlon Building, a “gaudy” lipstick shaped building that he was planning to build in Las Vegas for the Revlon cosmetic company; and
  - The Nancy Wilson Project; and
  - A Michael Jackson Comeback; and
  - A Whitney Houston Comeback; and
  - A Donna Summer Comeback; and
  - The Production of Olympic Ceremonies in Athens, Greece; and
  - A Production involving Britney Spears and England’s Prince William; and
  - John Prescott’s Country Music debut; and
  - The Samantha Ivy Project; and
  - A Krispy Kreme Donut Franchise in Vancouver

38. Ms. Hegan spoke of Vancouver resident, Ann Chiasson's failed investment in the "Krispy Kreme Project" that she describes as having ***"blown up in [Chiasson's] face."***
39. Ms. Hegan alleges that Stratos delights in having realtors jump through hoops for the sake of the exercise. She describes as many as sixty real estate deals that Stratos pursued in Vancouver that never actually closed. She reports that Stratos was essentially "black balled" by the Real Estate Association of Greater Vancouver as a consequence.
40. She describes Stratos' reaction to being blackballed. She states that he was furious. He contacted Ann Chiasson and Viive Truu, women in the real estate business that he had persuaded to "invest" in his projects (and ultimately defrauded), and demanded that they intervene on his behalf. She reports that Stratos successfully forced the issue and was shown four different properties that he walked through with various members of his entourage at least six times but, as always, bought nothing.
41. Ms. Hegan reports that she has first hand knowledge that funding supplied by Viive Truu and others was not used as expected by the investors, but was instead diverted by Stratos to funding his lifestyle, his gambling habits, and the lifestyles of those who were close to him, stating that, ***"He pretty much used someone until he was done."***
42. Ms. Hegan reports that nothing Stratos ever claimed to be involved in ever made money, or was put into a state of readiness to make money. She states that the staff began to realize that all NLM/Vancouver actually did was "make work" intended to generate new money from investors, with no hope of actually being completed.
43. Ms. Hegan states that Stratos gambled extensively. She claims to have handled hundreds of thousands of dollars in gambling receipts covering very short spans of

time. She reports that he has lost “upwards of \$150,000 in a few days,” and at one point gambled away the NLM staff payroll. She reports that these gambling losses were covered by Viive Truu and the payroll was paid – that time.

44. Ms. Hegan states that there was another occasion where Stratos failed to meet his obligations to the staff. She reports that Kevin Holden informed Viive Truu who provided the funds necessary for Stratos to meet these obligations, but Stratos gambled that money away, and those obligations were never paid.
45. Disturbingly, Ms. Hegan states that Stratos abused his own mother, misleading her to believe that he was going to buy her a home in Oregon, having her look at house after house, but never buying one. She reports that he added insult to injury by blaming her for her own disappointment, saying ***“You’re being mean to me, so I’m not going to buy you a house anymore.”*** She states that he emotionally tormented her for sport and, ***“Sometimes he would do this on speakerphone, so the entire office would be subjected to listening to her humiliation.”***
46. Ms. Hegan states that Stratos exhibits “manic” behavior – he was extremely abusive one minute, and then sometimes seemed extremely vulnerable and weak. In this context, she describes his response to being abandoned by his boyfriend, Thierry Pepin, who left having saying he had, ***“seen enough.”*** In the aftermath, the entire office staff was required to report to Stratos’ penthouse apartment, where they were required to gather round his bed, hold his hands, and assure him that they would never leave him.
47. She describes the staff helping to put together a trunk of mementos, calculated to entice Pepin to return, and she reports that she was particularly offended that, in order to pay for this “treasure chest of trinkets,” Stratos went to the Toronto Dominion Bank in

Vancouver and stopped payment on a \$5000 check, paid to a vendor for services legitimately rendered and received.

48. Ms. Hegan reports that she now knows that the only source for incoming funds was investors, and the only investor that she actually saw give him money on a regular basis was Viive Truu. She reports that there were some other investors, but she did not deal with them personally.

49. Ms. Hegan reports that Stratos made “many, many” trips to Los Angeles where he would, **“wheel and deal and harangue people for money, and then come back to Canada and spend it.”** Towards the end, they began receiving calls from people she never heard of, demanding to know when they would be paid.

50. Ms. Hegan specifically describes one person in particular who called repeatedly regarding money that he claimed to be owed. She explains the pain she felt in dealing with a grown man in tears, desperately trying to figure out what to do, lamenting that Stratos was **“destroying his life.”**

51. Ms. Hegan reports that, when it became clear that Stratos had no money of his own, everything they were doing was a front intended to encourage investment, and any money they received was stolen by fraud, the entire office elected to quit. She reports that they left their cell phones on the office table, locked up, dropped their keys thru the mail slot, and walked away.

52. Afterwards, Ms. Hegan claims to have contacted everyone she knew that Stratos was involved with, in an effort to warn them. She reports that most of the people did not believe her, and her warnings were not well received, especially by Viive Truu.

53. Ms. Hegan reports that Stratos subsequently contacted her, angry that she had “betrayed him,” but offered her fifty thousand dollars (\$50,000) to return. She states that

although she desperately needed the money, she declined because she knew that if he actually had the money he was promising her, he had swindled it from somebody.

**The Sworn Statement of John Prescott Metcalf**

54. I located and interviewed John Prescott Metcalf, the Stratos associated referenced by Ms. Hegan, and he provided a Sworn Statement. Metcalf reports that he first met Stratos in the Summer of 2002 while working as a waiter at a restaurant in Los Angeles. He reports that one of Stratos' assistants approached him as Stratos was preparing to leave, and informed him that *"Mr. Stratos would like to meet you."*
55. Metcalf spoke to Stratos via telephone later that evening. He reports that Stratos represented himself to be a producer who was working with various recording artists and could offer him an opportunity in the music business. During that same initial conversation, Stratos also indicated that he was producing a television series called "Plantation," and there was a part in "Plantation" available for Metcalf.
56. Metcalf reports that Stratos claimed to be extremely wealthy, poised on the verge of becoming a billionaire due to his investment in AOL stock early on, and the reinvestment of the proceeds of that investment in Middle East oil through his close personal contacts with members of various royal families.
57. With regard to Richard Hack, Metcalf reports that Stratos had a relationship with Hack for many years before he met Stratos, and Stratos claimed that they had once had a romantic relationship, that Hack still wanted to pursue. Metcalf describes Stratos' relationship with Hack as being, *"weird."*
58. Metcalf states that when Stratos became aware that he had some personal contacts and connections with representatives of the Nike corporation in Oregon, Stratos persuaded him to arrange a meeting. At the meeting, Stratos represented that he was producing

- the opening ceremonies for the 2004 Summer Olympics to be held in Athens, Greece, and solicited their financial involvement as “sponsors,” with no apparent success.
59. After the meeting with Nike at their campus in Beaverton, Oregon, Metcalf accompanied Stratos to Vancouver, British Columbia where Stratos had established Next Level Media. Metcalf reports that he met NLM employees; Tamara Hegan, Kevin, Larkin and Janice, the NLM Chief Financial Officer.
60. Metcalf reports that up through this point in time, although Stratos lived an opulent lifestyle and spent money as a billionaire would spend it, he never knew of Stratos to do anything that actually produced income.
61. Metcalf reports that Stratos has a serious gambling problem, and he has personally observed Stratos in casinos in Las Vegas, Connecticut and Puerto Rico. Metcalf reports that Stratos frequently gambled and lost large sums of money.
62. Metcalf reports that although Stratos claimed to have been involved in relationships with various women, the only intimate relationships that he knows of involved Stratos with other men. Specifically, Metcalf describes Stratos’ intimate relationship with an internationally well known male model, Thierry Pepin.
63. Metcalf reports that Pepin terminated his relationship with Stratos in the Spring of 2003. He describes Stratos as being devastated, and reports that Stratos’ efforts to persuade Pepin to come back included offering Pepin the role in “Plantation,” previously promised to Metcalf.
64. Metcalf states that after the entire NLM staff in Vancouver quit, Tamara Hegan called him and warned him to get away from Stratos as fast as possible because Stratos was a con man who had defrauded a woman from Vancouver named Viive Truu, and Stratos’

representations notwithstanding, the misuse of her “investment” was the source of Stratos’ lavish spending.

65. Metcalf reports that he ultimately terminated his friendship and professional relationship with Stratos when it became evident that Stratos’ real motivation was his interest in developing a romantic relationship with him. Metcalf reports that Stratos has made a number of efforts to contact him since then, but he has declined to respond.
66. It is not clear whether Stratos left Vancouver because Next Level Media collapsed, or because he recognized an opportunity to capitalize upon Nicole Murphy’s divorce. Either way, he set up an NLM office in Sacramento California in 2006.

#### **The Sworn Statement of Sheri Farley**

67. I located and interviewed Sheri Farley, Stratos’ former bookkeeper at his Next Level Media operation in Sacramento, CA and she provided a Sworn Statement.
68. Ms. Farley states that she was working for an accounting firm in late October, 2006, when she was contacted by Stratos, and his attorney, Stephen J. Beede. Stratos wanted to hire a bookkeeper, and Atty. Beede helped make the connection as he was a client of her employer. Interestingly, in light of later events, he reported that his records had been held by the Office of the United States Attorney, he had just recently received them back, and he needed assistance putting things in order.
69. She subsequently met with Stratos at a mansion that he misrepresented to be his own, where he explained that he was incredibly wealthy due to early investment in America Online stock when it was first introduced. He claimed to have parlayed the fortune derived of his AOL investment into a vast financial empire by investing in oil thru his close personal contacts with the members of the royal family in Dubai. He stated that

although he had “laid low” to that point, he was on the verge of being announced to the world as the newest billionaire.

70. Stratos represented to Ms. Farley, and the other employees of Next Level Media, that he was helping his long-time friend, Nicole Murphy. Among other things, he represented that he had made it possible for her to deposit funds in a Dubai investment account returning an extraordinary yield on investment, an account that she could not have established for herself due to the social standing of women in Dubai.
71. Ms. Farley reports that Stratos explained the project that he referred to as “Collection X.” Specifically, Stratos proposed to put together a line of jewelry patterned after the personal jewelry of celebrity ex-wives, hence the name, “Collection X.” Ms. Farley reports that she has personal knowledge that Stratos acquired Nicole Murphy’s jewelry collection, as part of this “project” because Stratos instructed her to pick up the jewelry from Nicole Murphy and deliver it to him in Florida – which she did.
72. Ms. Farley reports that in March 2007, Special Agents of the FBI served her with a Federal Grand Jury Subpoena, requiring that she produce Stratos’ financial records, described as filling fourteen (14) to sixteen (16) drawers in her office. Ms. Farley states that all but two of the drawers contained records responsive to the subpoena.
73. Ms. Farley states that rather than turn over the documents as required by the subpoena, these documents were reduced to one box that she described as, **“not a big box, just a box.”** Stratos made the decisions as to which documents were to be produced, eliminating all records related to Canada, Las Vegas, and Nicole Murphy. According to Ms. Farley, when she protested that the documents Stratos proposed to withhold were obviously covered by the subpoena, he screamed at her to, **“Shut the fuck up.”**

74. Ms. Farley states that Stratos is in the business of finding people looking for a good investment, and persuading them to invest in projects that do not exist.
75. Ms. Farley describes Stratos' opulent lifestyle, characterized by extraordinary extravagance, lavish spending and exotic vehicles. Insofar as the source of the investment capital that Stratos squandered, Ms. Farley reports that she now believes that this was the money that Stratos claimed to have deposited in a Dubai investment account for the benefit of Nicole Murphy. She states that she, ***"would hate to think he went through that much money, but the way I saw him spending it, he could have."***
76. Ms. Farley reports that the funds that she was provided, and allowed to manage, were transferred to the Next Level Media operating account from the Granite TN Trust account by Richard Hack, and she had to account to Hack for the way in which those funds were spent.
77. Ms. Farley states that, although taxes were withheld from employee pay checks, those funds were never paid over to anyone. She reports that, in effect, ***"Instead of having to come up with the gross payroll, they only had to come up with the net payroll."***
78. Ms. Farley unequivocally states that whether the enterprise is referred to as Next Level Media, or Troyco as it came to be called it was not a money making entity. She says, ***"There never was any income generating activity."*** She went on to say, ***"I have come to the conclusion that it was just part of the con, to make Nicole Murphy think that we were really taking care of her things, and whatever agreements she had with Troy, that was in place, and he hired these people to help make it happen."***
79. Ms. Farley reports that, in addition to defrauding Nicole Murphy, Stratos defrauded the Next Level Media employees by persuading them to charge office/business related expenses to their charge cards, promising reimbursements that never came.

80. Ms. Farley reports that she has no doubt that the Next Level Media/Sacramento operation was nothing but a con to help Stratos defraud Nicole Murphy.

**The Sworn Statement of Derrick [REDACTED]**

81. I identified, located and interviewed Derrick [REDACTED], one of Stratos' former boyfriends and he provided a Sworn Statement, supported by the Sworn Statement of his mother, Debra [REDACTED], and the original loan and bank related documents that they provided.

82. They report that Stratos essentially seduced the young man, professed his undying love for him, entered into a live-in relationship, and persuaded him to purchase properties involving mortgage obligations in excess of two million dollars, while the young man was employed as a waiter making six dollars per hour (\$6/HR) plus tips.

83. Naturally, the loans are in default.

84. [REDACTED], a soft spoken, quiet young man from the Midwest, who aspires to be a model and hopes to pursue an acting career, describes meeting Stratos while working as a waiter in a fast food restaurant. [REDACTED] reports that he initially ignored Stratos' advances, but ultimately became involved in what he describes as his first homosexual relationship, and moved in with Stratos after discussing his feelings for Stratos with his mother, in whom he confides everything.

85. As one might imagine, his mother, Debra [REDACTED] had difficult, and conflicting, emotions to deal with, but she did the best she could to be supportive. She describes meeting with Stratos, who assured her that she should not worry about the age difference, as his feelings for her son were genuine, and he would never take advantage of him.

86. In fact, as their story goes, Stratos' claimed that his love for [REDACTED] was so profound that he wanted to demonstrate his sincerity by "giving him" the house they shared, valued at

more than a million dollars - a house which Stratos represented that he owned, outright. Stratos convinced them that [REDACTED] could avoid adverse tax implications if Stratos arranged for him to borrow the funds necessary to buy the home, promising [REDACTED], and his mother, that the proceeds of the loan would be parked in a Trust Account and used to pay the loan off over the course of a year, thereby avoiding tax implications, and improving [REDACTED] credit.

87. Next, Stratos persuaded [REDACTED] to buy a second home, also valued in excess of a million dollars, so his mother could move to Florida. [REDACTED] agreed to incur a mortgage obligation in excess of a million dollars, as well as a second mortgage of \$169,000 for cash that was to be used to *"fix up the place for his Mom."* Stratos promised to take care of everything.

88. [REDACTED] and his mother report that there was no Trust Account and, in the end, [REDACTED] was left with mortgage obligations exceeding two million dollars, and the \$169,000 was immediately transferred from the joint account that Stratos shared with [REDACTED] to an account that [REDACTED] believes that Stratos shares with Richard Hack.

#### **The Fraud Perpetrated on Nicole Murphy**

89. Beginning in 2006, and continuing on through June 2007, approximately fifteen million dollars belonging to Nicole Murphy passed through Bank of America account number 003769007736, for the benefit of the Granite TN Revocable Trust, controlled by Troy David Stratos or Nicole Murphy, as Trustees.

90. At this point, we can only account for a small part of that figure, as we know that about \$3.5 million dollars was transferred to BoA Checking Account #9709, which is an account held by Stratos, and is reported to be a joint account with Richard Hack. We also know that approximately \$3.2 million dollars was debited from this account via a

series of fifty-one (51) otherwise unidentified Counter Debits, fifteen (15) of which were identified as involving “cash” for a total of \$141,500 in cash transactions.

91. To identify the ultimate disposition of these funds is critical. We can assume that most of these Counter Debits were instruments of some sort, most likely Cashiers Checks payable to one of the actors, or a third party entity.

92. \$2.3 million dollars was debited from this account via a series of fifty-four (54) otherwise unidentified “Bank Adjustments.” This is very peculiar, and I can only assume that these will relate to instruments of some sort, and again, Cashier’s Checks seems the only likely possibility.

93. Further, nearly a million dollars stolen from the Client was transferred to Mellon United National Bank, benefit of Atty. Leslie Jose Zigel. He received four transfers totaling \$867,000.

#### **Other Information**

94. Several sources report that Stratos is finding it very difficult to operate overseas due to the fact that a simple Internet inquiry reveals him to be a fraud. He has recently begun using the names; Troy David, David Stafford, and David Burton.

95. Stratos made an effort to establish himself in Dubai, using much the same approach as he has used effectively elsewhere. Specifically, in dealing with representatives of the Hong Kong and Shanghai Banking Corporation (HSBC) in Dubai, he has represented himself to be a billionaire with something in excess of \$800 million dollars, that he claims to have been entrusted to him by members of Emirate royal families, on deposit in various Swiss banks, specifically claiming to do business with Credit Suisse and Union Bank of Switzerland (UBS).

96. Stratos approached representatives of HSBC/Dubai, claiming that he intended to transfer \$800 million USD from his accounts in Switzerland to HSBC/Dubai because he was in the process of preparing to produce the movie, “18D, the Pharonic Prophecies,” a “trilogy” written by Richard Hack. Stratos indicated that he had close personal relationships with members of various Emirate royal families, citing names and personal information such that they believed his representations, especially since fraudulently invoking the names of royalty “isn’t done” there.
97. A representative of the HSBC/Dubai Risk Management Department contacted me and informed me that Stratos has had them working to arrange the purchase of the entire top floor of a luxury hotel in Dubai at a purchase price of \$60 million USD.
98. This bank representative reports that, after investing a great deal of time and effort into making the necessary arrangements, obtaining the necessary commitments, and “wining and dining” Stratos, he began to question Stratos’ failure to perform. An internal HSBC inquiry revealed that Stratos has an HSBC account in London which was overdrawn, causing him to make further inquiries that led him to contact me.
99. Stratos primary undertaking in Dubai appears to have been an effort to gain the support of Mr. Khalid Bin Sulayem, of the Dubai Department of Tourism, various high placed officials, and the members of various royal families regarding a “megaplex” he proposed to build called the “Domes” which would be the largest production studio in the world.
100. I have conveyed the information I have to Mr. Khalid Bin Sulayem.
101. In Switzerland, Stratos has been working with [REDACTED]

[REDACTED]

[REDACTED] I have been in constant contact with both, beginning before he arrived, up to the

point that he left. They reported that his demeanor was bizarre, he failed to dress the part, and accomplished nothing.

102. In the United Kingdom, Stratos is reported to have scammed his own attorney into “fronting” him approximately GBP 7,000 (\$10,490 USD) and he spent about four months hustling the people at Knight Frank, the international broker of hi-end real estate, pretending to be in the market for very expensive properties. I have spoken to Meriam Makiya at Knight Frank – Stratos would no longer be able to persuade them to show him a lot in a trailer park.

103. I have no reason to believe that Stratos has actually traveled to China, but he is actively attempting to promote his various scams there. Specifically, in addition to promoting a “Michael Jackson Extravaganza,” he has been using the same materials that he used in promoting the “Domes,” in Dubai to convince Chinese investors that he intends to build “Cinema City China.”

*Cinema City China could be the newest addition to the natural beauty of Hangzhun. Located just 180 kilometers southwest of Shanghai, this fully interactive community features luxury residences, theaters, shops, restaurants, and five landmark domes housing one-of-a-kind film production, exhibition, entertainment and museum facilities. Illuminated at night like a string of pearls, these spectacular hemispheres and the community surrounding them will allow residents and visitors alike to experience the glamour of Hollywood and its most popular celebrities.*

*Cinema City China--a unique environment surrounded by green space featuring over 200 species of birds, and 17,000 types of flowers, trees and shrubs to create the ultimate in a natural living, working, and social destination.*

104. In promoting his efforts to expand into China, he is dealing with Jay Feng, Join In Technologies, Suite 1201, 200 Xinghai Street, Jiangsu, China and Isabel Zhu, Citis Limited (Public Relations Firm), Chaoyang District, Beijing, China.

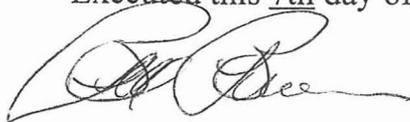
*Troy David Stafford, aka Troy David Stratos, aka David Burton*

105. I have spoken to Jay Feng; he and Ms. Zhu are privy to the information we have.
106. Most recently, I was advised that Stratos, using the alias David Burton, was arrested by French authorities in Paris, France, where he is currently incarcerated. The French Serious Fraud Office, the Royal Canadian Mounted Police, Scotland Yard, and the Federal Bureau of Investigation, are reported to be investigating cases within their respective jurisdictions.
107. I was advised that Stratos is currently being held pending a remand hearing scheduled for Monday, September 7, 2009, in Paris. Consequently, Atty. Ross Babbitt directed that I travel to Paris and provide any evidence, information and/or testimony as they may require.
108. This document was prepared by me in Paris, France and tendered to law enforcement authorities here, as well as to Special Agent Laura Jones, FBI/Sacramento, for whatever value it may be to their investigations.

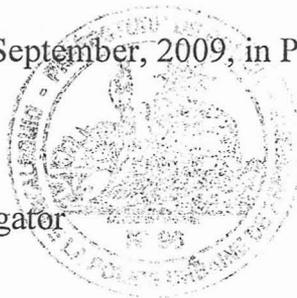
FURTHER DECLARANT SAYETH NOT.

I declare under penalty of perjury, pursuant to the provisions of 28 U.S.C. §1746, and other such laws as may apply, that all of the statements made in this Declaration are true and correct to the best of my information, knowledge, and belief.

Executed this 7th day of September, 2009, in Paris, France.



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Remis le 7 juin 2009,  
Le Commissaire de Police  
M. BRAC de LA PERRIERE



REPUBLIQUE FRANCAISE  
MINISTERE DE L'INTERIEUR  
de la SECURITE INTERIEURE et des LIBERTES LOCALES  
PREFECTURE DE POLICE  
DIRECTION DE LA POLICE URBAINE DE PROXIMITE

Département : Paris  
Commune : Circonscription Arrdt  
58 avenue Mozart 75016 Paris  
Téléphone : 01.55.74.50.00

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**RECEPISSE DE DECLARATION DE MAIN COURANTE**

Le 07/09/2009 à 12h00

M ESCAR BRANSCUM BILL

demeurant PO BOX 107 NAPLES FL 34101-0728 à FLORIDE

a effectué une déclaration de main courante inscrite au registre sous le numéro : 2009/046544  
relative aux faits suivants : Autres crimes ou délits

Fait à Paris

Le 07/09/2009 à 12h14

Nom et grade du fonctionnaire  
Emargement et cachet du service

BEN ABADA KARIM



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**Observations :**

1. Le droit d'accès prévu par la loi 78.17 « Informatique et Libertés » du 6 janvier 1978 (article 34) peut être exercé auprès du secrétariat du siège de la circonscription de police dont dépend le service ayant enregistré la déclaration.
2. Aux termes de l'arrêté du 24 février 1995 autorisant la création dans les commissariats de police d'un traitement automatisé du registre de main courante, la délivrance ultérieure d'un extrait de déclaration est subordonnée à l'accord de l'autorité judiciaire.
3. Article 441-6 du Code Pénal : le fait de se faire délivrer indûment par une administration publique ou par un organisme chargé d'une mission de service, par quelque moyen frauduleux que ce soit, un document destiné à constater un droit, une indemnité ou une qualité ou à accorder une autorisation, est puni de deux ans d'emprisonnement et de 30 000 euros d'amende.  
Est puni des mêmes peines le fait de fournir une déclaration mensongère en vue d'obtenir d'une administration publique ou d'un organisme chargé d'une mission de service public une allocation, un paiement ou un avantage indu.
4. Les « faits », tels que précisés dans le présent récépissé sont strictement indicatifs. ne préjugeant en aucune