

EXHIBIT 1

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CENTRAL DISTRICT OF CALIF.
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FILED

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11 United States of America

12 UNITED STATES DISTRICT COURT
13 FOR THE CENTRAL DISTRICT OF CALIFORNIA

14 WESTERN DIVISION

15 UNITED STATES OF AMERICA,

16 Plaintiff,

17 v.

18 \$6,874,561.25 IN FUNDS FROM SIX)
WELLS FARGO BANK ACCOUNTS;
19 \$1,147,051.51 IN FUNDS FROM SIX)
BANK OF AMERICA ACCOUNTS;
20 \$3,978,403.00 U.S. CURRENCY;
\$6,400.00 IN PROCEEDS FROM 64)
21 AMEX TRAVELERS CHECKS; ONE 2004)
CADILLAC ESCALADE; ONE 2008)
22 LEXUS GX 470-V8; \$22,840.00 IN)
U.S. CURRENCY; AND ONE SMITH &)
23 WESSON REVOLVER,

24 Defendants.

NO. **CV09-02398 GW (RZx)**

VERIFIED
COMPLAINT FOR FORFEITURE

[18 U.S.C. §§ 981(a)(1)(A)
and (C), 984]

[F.B.I.]

25
26 The United States of America brings this claim against the
27 defendants \$6,874,561.25 in Funds from Six Wells Fargo Bank
28

20

EXHIBIT 1

1 Accounts; \$1,147,051.51 in Funds from Six Bank of America
2 Accounts; \$3,978,403.00 U.S. Currency; \$6,400.00 in proceeds from
3 64 AMEX Travelers Checks; One 2004 Cadillac Escalade; One 2008
4 Lexus GX 470-V8; \$22,840.00 in U.S. Currency; and One Smith &
5 Wesson Revolver, and alleges as follows:

6 JURISDICTION AND VENUE

7 1. This is a civil forfeiture action brought pursuant to 18
8 U.S.C. §§ 981(a) (1) (A), (C) and 984.

9 2. This Court has jurisdiction pursuant to 28 U.S.C.
10 §§ 1345 and 1355.

11 3. Venue lies in this district pursuant to 28 U.S.C.
12 § 1395.

13 PERSONS AND ENTITIES

14 4. The plaintiff is the United States of America.

15 5. The defendants are the following assets seized by
16 special agents of the Federal Bureau of Investigation ("FBI"):

17 a. \$6,874,561.25 in Funds from Six Wells Fargo Bank
18 Accounts, seized on or about October 31, 2008
19 pursuant to federal seizure warrants, and more
20 particularly described as follows:

21 (1) \$5,608,434.79 from an account ending in -8082
22 ("WFB082") in the name of Best Diamond
23 Funding Corp.;

24 (2) \$50,162.02 from an account ending in -3209
25 ("WFB209") in the name of Best Diamond
26 Funding Corp.;

27 (3) \$265,944.72 from an account ending in -1850
28 ("WFB850") in the name of Milton Retana;

- 1 (4) \$452,188.57 from an account ending in -5321
2 ("WFB321") in the name of Best Diamond Realty
3 Corp.;
- 4 (5) \$104,863.23 from an account ending in -1656
5 ("WFB656") in the name of Best Alliance
6 Construction Inc.; and
- 7 (6) \$392,967.92 from an account ending in -7647
8 ("WFB647") in the name of First Class Bancorp
9 Inc.

10 b. \$1,147,051.51 in Funds from Six Bank of America
11 Accounts, seized on or about October 31, 2008
12 pursuant to federal seizure warrants, and more
13 particularly described as follows:

- 14 (1) \$819,750.80 from an account ending in -6243
15 ("BOA243") in the name of Best Diamond
16 Funding Corp.;
- 17 (2) \$5,000.00 from an account ending in -6248
18 ("BOA248") in the name of Best Diamond
19 Funding Corp.;
- 20 (3) \$39,483.38 from an account ending in -2264
21 ("BOA264") in the name of Milton Retana, Best
22 Diamond Funding;
- 23 (4) \$143,246.04 from an account ending in -0608
24 ("BOA608") in the name of Best Diamond Realty
25 Corp.;
- 26 (5) \$5,971.00 from an account ending in -0603
27 ("BOA603") in the name of Best Diamond Realty
28 Corp.; and

- 1 (6) \$133,600.29 from an account ending in -2263
2 ("BOA263") in the name of Milton Retana, Best
3 Diamond Funding.
- 4 c. \$3,978,403.00 U.S. Currency seized on October 29,
5 2008 during the execution of a federal search
6 warrant at Best Diamond Funding and Libreria del
7 Exito Mundial, 6422 Pacific Blvd., Huntington
8 Park, California;
- 9 d. \$6,400 in proceeds from 64 AMEX Travelers Checks
10 valued at \$100 Each (check numbers RD210-158-610
11 through -627; RD210-158-630 through -654; and
12 RC907-988-217 thru 237) seized on October 29, 2008
13 during the execution of a federal search warrant
14 at Libreria del Exito Mundial/Best Diamond Funding
15 (and converted into a cashier's check for
16 \$6,400.00 after seizure);
- 17 e. One 2004 Cadillac Escalade ("defendant Escalade")
18 seized pursuant to probable cause on December 16,
19 2008 from Milton Retana's ("Retana") home at the
20 time of his arrest. The defendant Escalade bears
21 VIN: 1GYEK63N54R229196 and is registered to
22 Retana;
- 23 f. One 2008 Lexus GX 470-V8 ("defendant Lexus")
24 seized pursuant to probable cause on December 16,
25 2008 from Retana's home at the time of his arrest.
26 The defendant Lexus bears VIN JTJBT20X880164985
27 and is registered to Retana and Lidia E. Campos;
- 28 g. \$22,840.00 in U.S. Currency ("defendant \$22,840")

1 seized on December 16, 2008 pursuant to a consent
2 search of Retana's residence; and

3 h. One Smith & Wesson Revolver ("defendant firearm"),
4 .357 caliber, model 6866PLUS, serial number
5 DCF7556, seized on December 16, 2008 pursuant to a
6 consent search of Retana's residence. The
7 defendant firearm is registered to Jairo Ali Vega.

8 6. The interests of Retana, Lidia E. Campos, Best Diamond
9 Funding Corp., Best Diamond Realty Corp., Libreria Del Exito
10 Mundial, Best Alliance Construction Inc., First Class Bancorp
11 Inc., and Jairo Ali Vega may be adversely affected by these
12 proceedings. The defendants are in the custody of the United
13 States Marshals Service, and shall remain in such custody
14 throughout the pendency of this action.

15 **BASES FOR FORFEITURE**

16 7. Milton Retana conducted a massive fraud scheme using
17 Best Diamond Funding and its associated companies. Retana and
18 others solicited investors to invest with Best Diamond Funding by
19 telling them that their money would be used to buy and sell real
20 estate, and that the investors would earn a substantial monthly
21 return. In fact, only a small fraction of the money that Best
22 Diamond Funding and/or its associated companies received from
23 investors was used to purchase real estate, and Retana and the
24 companies used money from other investors, or the investors' own
25 principal, to make purported profit payments each month. The
26 defendants constitute or are traceable to proceeds of violations
27 of 18 U.S.C. § 1341, 1343, and/or were involved in (or are
28 traceable to property involved in) laundering of the scheme

1 proceeds, and are therefore subject to forfeiture pursuant to 18
2 U.S.C. §§ 981(a)(1)(A) and (C) and 984.

3 INFORMATION FROM CONFIDENTIAL SOURCE

4 8. In 2008, FBI Special Agents began receiving information
5 from a confidential source ("CS") concerning Best Diamond Funding
6 ("Best Diamond" or "BDF") and Milton Retana. The CS, who had
7 worked for Best Diamond since late 2007, said that Retana was the
8 president and owner of BDF, and provided the following
9 information:

10 a. Best Diamond primarily solicited investments.
11 Investors primarily heard about the company from a magazine that
12 it published called "Despertar Financiero" (Financial Awakening)
13 as a vehicle to advertise its investment opportunities.
14 Investors were promised investment returns as high as seven
15 percent each month. As of mid-2008 approximately two thousand
16 investors had invested approximately \$32,000,000 with Best
17 Diamond.

18 b. Best Diamond received \$300,000 in investments each
19 week, much of which was paid by investors in cash. The cash was
20 not brought to the bank or deposited into the company's bank
21 accounts, but was kept on the BDF premises.

22 c. Best Diamond's employees told investors that their
23 investments would be used to make hard money loans at high
24 interest rates and purchase properties facing foreclosure. CS
25 was aware of only one or two hard money loans actually having
26 been made. Retana was not actually interested in making hard
27 money loans, but had ordered that a few such loans be made so
28 that the company could tell investors that was how their money

1 was being invested. Retana once told CS that he (Retana) owned
2 64 total properties, 16 of which he owned "free and clear."

3 d. In July 2008, a similar real estate investment
4 scheme closed down and was thereafter searched by the FBI.
5 Retana told CS that the closure of the similar business caused a
6 "run" on BDF by investors, and that he had transferred money to
7 the company's bank account to meet demands from investors who
8 wanted their money back after hearing about what happened to the
9 similar business.

10 e. In August or September 2008, the California
11 Department of Real Estate ("CDRE") wanted to conduct an onsite
12 audit of BDF's files in connection with its investigation into
13 Best Diamond's investment claims. In response, Retana directed
14 that the company split its real estate files from its investment
15 files. The real estate files were kept in the company's offices
16 on the third floor of its building, but the investment files were
17 taken to taken to offices at the rear of the neighboring
18 bookstore, Libreria Del Exito Mundial ("Libreria"). Libreria was
19 owned by Retana's wife, Lidia Campos. Following the CDRE's
20 audit, BDF's accounting office, financial information and other
21 investor records, and meeting room were all moved to the Libreria
22 premises. Guards were responsible for intercepting potential
23 investors as they entered the building and directing them to the
24 back of the Libreria bookstore instead of going to BDF's office
25 on the third floor. Investors also signed for and received their
26 purported interest checks at the Libreria location.

27 BEST DIAMOND PROMISED HIGH PROFITS TO INVESTORS

28 9. Best Diamond's promotional materials (which included the

1 Despertar Financiero newspaper and a website) made the following
2 claims, among others:

- 3 a. "DON'T THROW YOUR MONEY AWAY ON STOCKS, BONDS, MUTUAL
4 FUNDS, 401KS, CDS, IRAS. Put it in Best Diamond and
5 get more for your money."
- 6 b. Best Diamond offered a 2 percent return each month
7 based on an initial investment of at least \$5,000; a 5
8 percent monthly return on an \$80,000 investment; and a
9 7 percent monthly return on a \$327,000 investment.
10 [The final figure is equivalent to an 84 percent annual
11 return on the investment.]
- 12 c. "A lot of DEBT? Your house can help you. Refinance
13 your house and put the equity in Best Diamond Funding
14 and receive monthly earnings."
- 15 d. "WE INVITE YOU TO BE OUR ASSOCIATE. Protect your
16 money. We will show you how to make your money
17 multiply and work for you." "SOLICIT PEOPLE and
18 increase your investment return by 4 percent monthly or
19 more." [This claim, like other Best Diamond statements
20 discovered by the U.S. Postal Inspection Service
21 ("USPIS") and FBI, solicited potential investors to
22 recruit new investors for BDF and promised higher
23 interest rates based on the number of new investors
24 successfully recruited.]
- 25 e. A Best Diamond pamphlet urged investors to contact
26 their friends and family members and to bring at least
27 three people to BDF's weekly investment seminar. It
28 also encouraged them to visit churches and neighbors to

1 try to reach new potential investors. The pamphlet
2 promised that an investor would receive an additional
3 two percent per month for successfully bringing in two
4 new investors, an additional three percent per month
5 for bringing in seven new investors, an additional four
6 percent per month for bringing in fourteen new
7 investors, and an additional five percent per month for
8 bringing in an additional twenty-one investors.

9 f. On October 8, 2008 on WWW.BESTDIAMONDGROUP.COM, a link
10 on the site led to a chart which offered a 7 percent
11 monthly return for one-year contracts with initial
12 investments from \$5,000 to \$145,000.

13 10. On October 21, 2008, an FBI agent ("UC") posed as a
14 potential investor and visited Best Diamond's offices:

15 a. The UC met with Retana's second-in-command, Hugo
16 Arguello, who told the UC that he could start the
17 process of receiving a 7 percent monthly return with a
18 \$5,000 investment. Arguello said that BDF required
19 that investors sign a contract for a one-year
20 commitment of their investment. When asked how the
21 investment would be used, Arguello told the UC that BDF
22 used investor money to purchase homes. He explained
23 that BDF bought approximately 80 homes at one time,
24 repaired and refurbished them, and then re-sold them at
25 a profit.

26 b. Arguello said that if an investor paid \$5,000 for an
27 initial investment, BDF would pay a 2 percent monthly
28 return. Arguello also said that with that level of

1 investment, the investor's name would be listed along
2 with BDF on the title of the homes that were purchased
3 with the investment.

- 4 c. Arguello said that BDF was holding an investment
5 seminar on Saturday, October 25, 2008 in Huntington
6 Park, and that the UC could obtain more details
7 regarding BDF at the seminar.

8 11. On October 25, 2008, a second undercover FBI agent
9 ("UC2") posed as a potential investor and went to the BDF
10 investor seminar referred to above, and learned the following:

- 11 a. Approximately 150 to 200 investors or potential
12 investors attended the seminar. During the seminar,
13 ten different individuals from BDF gave presentations.
14 The first thirty minutes of the seminar focused on
15 personal motivation and inspiration and included
16 religious appeals to the investors.
- 17 b. Throughout the seminar, the presenters gave checks and
18 cash to some of the investors for purported interest on
19 their previous investments. UC2 believed that these
20 payments were deliberately made in front of the other
21 potential investors in order to encourage them to also
22 invest with the company.
- 23 c. After the motivational speeches, the presenters showed
24 investors and potential investors a PowerPoint
25 presentation which explained in general terms how Best
26 Diamond would invest their money. The presentation
27 noted that investors would receive a 7 percent return
28 per month on investments as low as \$5,000. It also

1 explained that BDF offered other services, including
2 assistance with purchasing a home or making home
3 improvements. The presenters encouraged potential
4 investors to go to the main BDF office in Huntington
5 Park to meet with an investment advisor.

6 PUBLIC DATABASE SEARCH FOR REAL ESTATE TRANSACTIONS

7 12. On October 28, 2008, FBI SA Vikki Medrano conducted a
8 public database search ("Real Property Ownership and Deed
9 Transfers" through the nationwide database AutoTrackXP) for
10 properties owned by Milton Retana and companies associated with
11 and operated by Retana, including BDF, and learned the following:

12 a. Retana owned one property (the residence listed on
13 his California Driver's License).

14 b. Best Diamond held title to approximately 23
15 properties worth a combined total assessed value of \$5,046,000.
16 Three of the 23 properties had outstanding liens, resulting in
17 approximately 20 properties owned "free and clear" by Best
18 Diamond (roughly consistent with Retana's statement to CS that 16
19 properties were owned "free and clear"). All were purchased
20 between August 2007 and July 2008. The government alleges that
21 it would be impossible for those 23 properties to generate
22 sufficient returns, whether through rental payments or sales, to
23 satisfy the monthly "interest" payments promised to BDF's
24 numerous investors.

25 c. No public records were found to show that any of
26 Retana's related companies (Best Diamond Realty, First Class
27 Bancorp, Best Alliance Construction, Global Business Financial
28 Group, or Libreria Del Exito Mundial) owned real estate.

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1 was transferred to one of the new WFB accounts from one or more
2 of the blocked WAMU accounts described above.

3 FURTHER ANALYSIS OF BANK OF AMERICA ACCOUNTS

4 15. Retana/BDF held numerous accounts at Bank of America
5 ("BOA") during the time he was operating the BDF investment
6 scheme. The government's financial analysis of these accounts is
7 ongoing and not yet completed. However, BOA has advised that
8 between October 1, 2007 and July 10, 2008, there were 349
9 deposits into two of Best Diamond's/Retana's accounts, totaling
10 \$39,058,437. During that same time period, there were 9,649
11 debits from these accounts totaling \$33,058,437; 1,256 of these
12 debits (totaling \$2,522,073) were withdrawn in cash.

13 16. In the time leading up to the seizure of the
14 defendants, a USPIS agent conducted a detailed review of a subset
15 of records relating to the BDF/Retana accounts at BOA, including
16 the monthly statements for three of the accounts from which the
17 defendants were seized (BOA264, BOA263, and BOA243), for the time
18 period from April 3, 2006 through July 28, 2008 (the "USPIS
19 review"). Based upon the USPIS review, the activity reflected in
20 the monthly statements was inconsistent with the stated business
21 and investment activities of Best Diamond, and was instead
22 consistent with the operation of a Ponzi-type investment fraud
23 scheme. None of the statements for these accounts reflected any
24 wire transfers from these accounts to title or escrow companies.
25 Nor do these account records reflect any incoming wire transfers
26 from title or escrow companies. Instead, the majority of wire
27 transfers into these accounts appeared to be from individuals.
28 The apparent lack of any transfers to or from title/escrow

1 companies or investment companies is inconsistent with the type
2 of activity one would expect to see if the accounts were being
3 used to purchase real estate or receive proceeds from real estate
4 transactions.

5 17. The USPIS review revealed that activity reflected in
6 these statements is consistent with a Ponzi-type investment
7 scheme for at least two reasons. First, the amount of deposits
8 into these accounts each month between April 2006 and July 2008
9 dramatically increased almost every month. One hallmark of a
10 Ponzi investment scheme is that the total amount invested in the
11 company must continue to grow at a large rate in order to
12 continue to make promised monthly investment return payments to
13 the initial investors from new funds. Thus, a dramatically
14 increasing amount of investments is a necessary component of such
15 a scheme while it is operating. Second, the payments (other than
16 account transfers) made from these accounts also increased
17 exponentially during this two-year period, and the payments were
18 almost exclusively in round dollar figures in relatively low
19 amounts. Such payments are consistent with monthly payments to
20 an ever-increasing number of investors as part of an investment
21 fraud scheme and are inconsistent with either payments for real
22 estate transactions, which are generally in the tens or even
23 hundreds of thousands of dollars, or payments for renovation and
24 repair of properties, which are generally not round dollar
25 amounts.

26 18. The USPIS review also revealed that the monthly
27 deposits into these three accounts increased exponentially from
28 April 2006 through July 2008. For the six-month period ending

1 January 25, 2007, the average monthly deposits into these
2 accounts totaled \$98,966.32. For the six-month period ending
3 July 25, 2007, the average monthly deposits increased
4 dramatically to a total of \$699,189.20 - over a 600 percent
5 increase from the previous six-month period. For the six-month
6 period ending January 25, 2008, the average monthly deposits
7 totaled \$1,939,112.77 - an increase of more than 177 percent over
8 the previous six-month period. Finally, for the six-month period
9 ending July 25, 2008, the average monthly deposits totaled
10 \$4,270,453.56 - an increase of more than 120 percent over the
11 previous six-month period.

12 19. The USPIS review further revealed that the number of
13 checks that were written from these three accounts each month
14 between April 2006 and July 2008 also increased exponentially.
15 For the six-month period ending January 25, 2007, an average of
16 35 checks were written from the three accounts. For the
17 six-month period ending July 25, 2007, the average number of
18 checks drawn on the three accounts each month was 150. For the
19 six-month period ending January 25, 2008, the average monthly
20 number of checks drawn on the three accounts was 403. Finally,
21 for the six-month period ending July 25, 2008, the average
22 monthly number of checks drawn on the three accounts was 1213.
23 The checks drawn on the three accounts during the analysed period
24 were for relatively small amounts, and mostly in round dollar
25 amounts. Based upon its entire investigation, the government
26 alleges that the overwhelming majority of the checks that were
27 part of the USPIS review were purported interest payments to the
28 scheme's investors.

BDF AND RELATED COMPANY ACCOUNTS RECEIVED MILLIONS OF DOLLARS
FROM INVESTORS AND PAID FOR LITTLE OR NO REAL ESTATE PURCHASES

20. By the time of the seizure of the defendant bank account funds, the government's investigators had learned that Retana had controlled (at various times) at least 19 accounts at BOA, WAMU, and WFB to and from which (collectively) tens of millions of dollars were deposited and withdrawn, including the accounts from which the defendant bank funds were seized ("Subject Accounts"). Based upon the account activity from BOA and WFB reviewed at the time of seizure, the majority of the deposits to the subject accounts (excluding transfers between Retana-controlled accounts) were traceable to payments consistent with investor contributions.

21. BDF represented that investor money was used to buy properties facing foreclosure and sell those properties at a profit. Real estate purchase transactions typically involve significant amounts of money being wired from the purchaser's account to an escrow company as down payment for the purchase. Conversely, the sale of a property typically results in a large amount of money being wired from a title and/or escrow company to the seller's account. Thus, if BDF were a party to such transactions, one would expect to see wire activity between BDF's accounts and title and/or escrow companies. The investigators found no evidence that any escrow or title companies were paid funds from any of the Subject Accounts, nor did they see any other indication that funds from these accounts were used to invest in real estate or any other investment vehicle. Moreover, the investigators found no evidence that the Subject Accounts

1 received proceeds from sales of real estate, such as incoming
2 transfers from escrow or title companies. Based upon the FBI's
3 and USPIS's entire investigation to date, Retana, BDF, and the
4 other related entities in whose names Subject Accounts were
5 placed have no other known significant source of incoming funds
6 aside from investor contributions. The chart attached hereto as
7 Exhibit A summarizes some of the specific transaction information
8 known to the government about the Subject Accounts at the time of
9 seizure, and is fully incorporated into the text of this
10 complaint by this reference. The government alleges based upon
11 its entire investigation to date, including its review of
12 documents seized pursuant to search warrant, that BDF used funds
13 deposited from investors to make purported interest payments to
14 its investors.

15 22. Retana, Best Diamond, Best Diamond Realty Corp, First
16 Class Bancorp, and Best Alliance Construction Inc. conducted
17 little or no legitimate business. To the extent that legitimate
18 business was conducted by any of these entities, it was
19 insignificant in comparison to the monies generated by the
20 fraudulent activity. Accordingly, all or virtually all of the
21 defendant bank account funds deposited into the Subject Accounts
22 are traceable to the fraudulent scheme described herein.

23 RECOVERY OF \$3.978 MILLION IN CURRENCY

24 23. On October 29, 2008, federal search warrants were
25 executed at the BDF and Libreria business locations. Among other
26 things, the FBI seized the defendant \$3,978,403.00 U.S. Currency
27 from BDF's upstairs offices and from filing cabinets at the
28 Libreria, as follows:

1 a. Investigators recovered \$771,208.00 of the
2 defendant \$3,978,403.00 U.S. currency from the BDF offices
3 located in the upstairs portion of the building shared by BDF and
4 Libreria.

5 b. At the time of the search, at the back of the
6 (downstairs) Libreria business was a door with a sign on it for
7 Best Diamond Funding. Behind the door were four offices that are
8 used for Best Diamond business. Three of the offices contained
9 desks and office equipment. In one of these offices,
10 investigators seized investor records contained in a file
11 cabinet.

12 c. The fourth office did not have a desk and appeared
13 to be used as a storage area. In this fourth office, there were
14 two file cabinets. The cabinets were locked and bore no labels
15 or other markings. Upon opening the file cabinets, investigators
16 found that the drawers were stuffed full of currency in various
17 denominations (i.e., the remaining \$3,207,195.00 of the defendant
18 \$3,978,403.00 U.S. currency). The currency appeared as if it had
19 been picked up off the floor and stuffed into the cabinets. Some
20 of the currency was loose, and some was secured by staples, paper
21 clips, rubber bands, or envelopes (some envelopes bore
22 individuals' names). Many of BDF's investors contributed their
23 investment amounts using currency. Storing currency in filing
24 cabinets is not consistent with the promises Retana and Best
25 Diamond made to potential investors. One or more of the cabinets
26 also contained 64 AMEX Travelers Checks (the defendant \$6,400).

27 24. On November 6, 2008, Retana consented to be interviewed
28 by the government's investigators in the presence of his

1 attorney. Retana claimed that BDF had approximately 1,200
2 investors who had contributed about \$10 million, and that the
3 defendant currency seized from the business offices constituted
4 investor money. He stated that investors were told BDF bought
5 property with their investment money, but admitted that he had
6 bought only 50-60 properties. He also acknowledged that he had
7 stopped buying property because of market conditions, that he
8 used new investors' money to pay his "interest" obligations to
9 old investors, and that BDF had received only about \$600,000.00
10 in proceeds from the sale of real properties.

11 25. According to financial records maintained by BDF and
12 recovered during the execution of the search warrant, BDF had
13 more than 2,200 investors, and more than \$62 million was invested
14 with the company.

15 THE DEFENDANTS ESCALADE, LEXUS, \$22,840.00, AND FIREARM
16 ARE TRACEABLE TO THE FRAUD SCHEME PROCEEDS

17 26. On December 16, 2008, investigators contacted Retana at
18 his residence in Norwalk, California, to execute a federal
19 warrant for his arrest. Retana executed a written consent form
20 to allow the investigators to search his residence for evidence
21 related to "Best Diamond Funding." Retana amended the consent
22 form later that day to list the following specific items Agents
23 wished to remove from Retana's residence (including "a .357
24 handgun & rounds of ammunition" (i.e., the defendant firearm) and
25 "cash" (i.e., the defendant \$22,840.00)).

26 27. At least \$22,819.00 of the defendant \$22,840.00 was
27 recovered from the office and the master bedroom of Retana's
28 residence. The remaining \$21.00 was recovered amongst documents

1 seized from the residence. Retana's sole source of income during
2 2008 was funds he received from BDF or its investors.

3 28. The defendant firearm was seized from the master
4 bedroom of Retana's residence. The gun is registered to Jairo
5 Ali Vega. When contacted by investigators, Vega explained that
6 he was a licensed armed security guard. He was hired by Retana
7 to be a guard for BDF about eight months prior to the interview.
8 Approximately three months prior to the interview, a friend
9 borrowed Vega's car and was pulled over by the police; the police
10 seized Vega's handgun, which Vega had left (along with his guard
11 uniform) inside his car. Vega said he had to claim his gun,
12 which took some time to get back from the police. In the
13 meantime, he told Retana that the police had his gun. Retana
14 gave Vega about \$850.00 in cash to buy a gun to use while working
15 at BDF. Vega bought a .357 revolver with the money (the
16 defendant firearm) and registered it in his name. (According to
17 registration information, Vega purchased the defendant firearm on
18 June 23, 2008.) Once Vega obtained the return of his own weapon
19 from the police, he returned the defendant firearm to Retana.
20 Vega said he was willing to give up his rights to the weapon.

21 29. According to documents received from Lexus of Cerritos,
22 the defendant Lexus was purchased by Retana and Lidia Campos on
23 July 6, 2008 via a single payment of \$57,039.59. The payment
24 comprised \$40,000.00 in currency and a check for \$17,030.59 drawn
25 against BOA608 (an account which received investor funds, as
26 described in the attached chart).

27 30. According to purchase records received from Paramount
28 Auto Center, the defendant Cadillac was purchased by Retana on

1 September 23, 2007 for \$39,000.00, which was paid in full at the
2 time of purchase. Retana paid \$24,000.00 in currency and
3 \$15,000.00 by check drawn against WFB850 on the Wells Fargo
4 account of Milton Retana, account #2577811850 (an account which
5 received investor funds, as described in the attached chart). On
6 a report to the IRS regarding the receipt of currency from
7 Retana, Paramount Auto Center stated that the transaction was a
8 "business service provided" to Best Diamond Founding [sic], 6428
9 Pacific Blvd., Suite 305, Huntington Park, CA 90255.

10 31. Retana purchased the defendant Lexus, Escalade, and
11 firearm during times in which his sole source of income was funds
12 he received from BDF or its investors.

13 BEST DIAMOND WAS A FRAUD

14 32. Best Diamond made the following claims, among others:

15 a. Best Diamond used investor money to purchase dozens of
16 properties at a discount, renovate them, and then sell the
17 properties for a substantial profit.

18 b. Best Diamond's success in buying, renovating, and
19 selling properties allowed it to pay investors returns of seven
20 percent of their invested principal each month.

21 c. Best Diamond employed 60 real estate agents who would
22 purchase 50 to 60 properties at a time, which allowed the company
23 to purchase the properties at a substantial discount and later
24 sell them at a high profit margin.

25 d. Best Diamond provided performance superior to
26 traditional financial products, including stocks, bonds, mutual
27 funds, 401(k) plans, CDs, and IRAs.

28 e. Investments with Best Diamond were guaranteed because

1 they were "backed by documents legally notarized under the State
2 of California."

3 f. Investors who owned homes would be able to pay off the
4 mortgages on their homes in only six years using the returns
5 generated from their investments with Best Diamond.

6 g. Best Diamond had been in business for ten years, and
7 had several years of investment experience.

8 33. In fact, the preceding claims were false because:

9 a. Best Diamond used only a small fraction of investor
10 money to purchase properties and sell them, and the company
11 collected far less from these sales than it paid to investors in
12 interest each month.

13 b. Most, if not all, of the payments that Best Diamond
14 made to investor victims did not derive from real estate
15 activity, but rather was siphoned from money invested by other
16 victims and, in some cases, from the investor victims' own
17 principal. Moreover, Best Diamond was not a successful real
18 estate company.

19 c. From January 2007 through October 2008, Best Diamond
20 employed fewer than five licensed real estate agents and
21 purchased significantly fewer than 50 properties.

22 d. Investors faced a substantial risk of losing their
23 money by investing with Best Diamond because it was not
24 profitable, was losing money, and was using money from other
25 investors, or the new investors' own principal, to make monthly
26 payments to investors.

27 e. Best Diamond's investments in most cases were not
28 backed by any collateral, and the notarized contracts did not

1 provide any guarantee that the investments would be repaid by the
2 company.

3 f. Investors risked losing their money by investing with
4 Best Diamond, because the company was not profitable, was losing
5 money, and was using money from other investors, or the
6 investors' own principal, to make monthly payments to investors.

7 g. Best Diamond was first incorporated in November 2006
8 and was not licensed with the California Department of
9 Corporations to offer investment services.

10 34. For the purpose of executing the scheme to defraud,
11 Retana and Best Diamond sent purported "interest" payments to
12 some of its investors by U.S. Mail, and caused some investors to
13 send their investment contributions by means of wire and radio
14 communication in interstate and foreign commerce.

15 CONCLUSION

16 35. Based upon all of the above, the defendants constitute
17 or are traceable to violations of 18 U.S.C. §§ 1341 and 1343, and
18 are therefore subject to forfeiture pursuant to 18 U.S.C.
19 §§ 981(a)(1)(C) and 984.

20 36. Based upon all of the above, the defendants
21 \$6,874,561.25 in Funds from Six Wells Fargo Bank Accounts,
22 \$1,147,051.51 in Funds from Six Bank of America Accounts,
23 Escalade, and Lexus were involved in, or are traceable to
24 property involved in, money laundering in violation of 18 U.S.C.
25 § 1956(a)(1)(B)(I) and/or 18 U.S.C. § 1957, and are therefore
26 subject to forfeiture pursuant to 18 U.S.C. §§ 981(a)(1)(A) and
27 984.

28 WHEREFORE, the United States prays that:

1 a. due process issue to enforce forfeiture of the
2 defendants;

3 b. due notice be given to all interested parties to appear
4 and show cause why forfeiture should not be decreed;

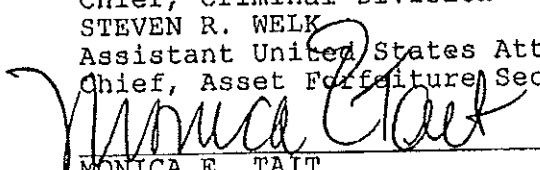
5 c. judgment be entered declaring that the defendants are
6 forfeited to the United States of America for disposition
7 according to law;

8 d. the United States of America be awarded all of its
9 costs, expenses and disbursements; and

10 e. the United States be awarded any other relief that the
11 Court deems just and proper.

12 Dated: April 6, 2009

13 THOMAS P. O'BRIEN
14 United States Attorney
15 CHRISTINE C. EWELL
16 Assistant United States Attorney
17 Chief, Criminal Division
18 STEVEN R. WELK
19 Assistant United States Attorney
20 Chief, Asset Forfeiture Section

21 
22 MONICA E. TAIT
23 Assistant United States Attorney
24 Attorneys for Plaintiff
25 United States of America
26
27
28

PRELIMINARY ANALYSIS OF BANK RECORDS FOR SEIZED ACCOUNTS AVAILABLE AT TIME OF SEIZURE (All figures approximate)				
ACCT. indicates funds seized	PERIOD REVIEWED	SOURCE AND AMOUNT OF DEPOSITS REVIEWED	TOTAL SMALL CHECKS OUT TO INDIVIDUALS REVIEWED	DISBURSEMENTS REVIEWED, INCLUDING TRANSFERS TO OTHER ACCOUNTS
BOA603	2/7/08 to 7/24/08	\$4,740,000, transferred from BOA263 and BOA243	not available	\$350,000 TO BOA608 \$2,190,000 TO BOA243
BOA608	12/26/2007 to 8/29/2008	\$350,000 from BOA603 \$2,810,000 from BOA263, BOA243, and BDF BOA248	1218 checks totaling \$3,221,488, mostly in round dollar amounts	
BOA248	2/7/08 to 5/27/08	\$1,450,000 from BOA 263 and BOA243	not available	(between 7/31/08 to 8/19/08) \$1,250,000 TO BOA263, BDF BOA243, and BDF BOA264; \$160,000 TO BOA608
BOA243	6/25/08-7/25/08	\$5,344,643, from hundreds of checks	1813 checks totaling \$3,963,935; most list "interest" on memo line	\$3.59 million to BOA603
BOA264	4/2006 - 7/25/08	\$8,546,638.00, including \$836,000 from BOA 263	not available	\$8,050,644 disbursed, including \$3.156 million to BOA263

EX. A

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PRELIMINARY ANALYSIS OF BANK RECORDS FOR SEIZED ACCOUNTS AVAILABLE AT TIME OF SEIZURE (All figures approximate)				
ACCT. indicates funds seized	PERIOD REVIEWED	SOURCE AND AMOUNT OF DEPOSITS REVIEWED	TOTAL SMALL CHECKS OUT TO INDIVIDUALS REVIEWED	DISBURSEMENTS REVIEWED, INCLUDING TRANSFERS TO OTHER ACCOUNTS
BOA263	4/2006 - 7/25/08	\$12,095,604, including \$3.156 million from BOA264; numerous checks from individuals list "investment" on memo line	not available	\$11,712,575 disbursed, including money for operating expenses and the following transfers: \$1,150,000 to BOA603; \$696,000 to BOA 264; \$800,000 to BOA243; \$1,550,000 to BOA608; \$950,000 to BOA248; and \$50,000 to WFB082
WFB082	4/11/08-9/30/08	\$7,967,501, including \$4,082,744 from Retana's/BDF's WAMU accounts and \$400,000 from BOA243; numerous checks from individuals list "investment" on memo line	140 checks totaling \$458,188, many in round dollar amounts, and many listing "interest" on memo line	\$1,966,183 disbursed, including \$650,000 to WFB647 and \$45,000 to WFB656
WFB209	4/18/08-9/16/08	\$506,600, mostly from numerous checks from individuals listing "investment" on memo line	not available	\$278,000, including \$75,000 to WFB082 and \$203,000 to WFB850

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PRELIMINARY ANALYSIS OF BANK RECORDS FOR SEIZED ACCOUNTS AVAILABLE AT TIME OF SEIZURE (All figures approximate)				
ACCT. indicates funds seized	PERIOD REVIEWED	SOURCE AND AMOUNT OF DEPOSITS REVIEWED	TOTAL SMALL CHECKS OUT TO INDIVIDUALS REVIEWED	DISBURSEMENTS REVIEWED, INCLUDING TRANSFERS TO OTHER ACCOUNTS
WFB850	3/23/07-10/7/08 (This is Retana's personal account.)	\$803,646, including \$203,000 from WFB209 and \$66,000 from WFB321	not available	\$577,979 disbursed
WFB321	10/1/07-4/30/08	\$634,320, including \$150,000 from BOA263	155 checks totaling \$462,250, many listing "interest" and "returning principal" on memo line	\$579,228 disbursed
WFB656	4/18/08-7/31/08	\$105,000, including \$45,000 from WFB082	none	minimal
WFB647	4/10/08-9/30/08	\$680,000, including \$650,000 from WFB082	45 checks totaling \$83,194, many to individuals and listing "interest" on memo line	other disbursements minimal

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VERIFICATION

I, Vikki Motala Medrano, hereby declare that:

1. I am a Special Agent employed by the Federal Bureau of Investigation and have been assigned to assist in the forfeiture of the defendants.

2. I have read the above Complaint for Forfeiture In Rem and know its contents. The information contained in the complaint has been furnished from official government sources and, based on information and belief, the allegations contained in the Complaint for Forfeiture are true and correct.

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

Executed April 6, 2009 in Los Angeles, California.


VIKKI MOTALA MEDRANO

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EXHIBIT 2

**WAIVER AND RELEASE BY MILTON RETANA
OF CLAIMS TO CONTEST FORFEITURE**

I. INTRODUCTION.

A. Milton Retana ("defendant") has been indicted for mail and wire fraud, and other offenses. United States v. Milton Retana, CR 08-1433.

B. In accordance with 28 U.S.C. § 9.1 et seq., the United States Attorney's Office for the Central District of California ("USAO") intends to institute proceedings to notify all persons who invested in the scheme described in the indictment of the ability to petition the Department of Justice for remission of property forfeited in connection with this investigation.

D. As of the date of this agreement, the government has seized the following assets in this investigation (the "Property"):

- (1) \$5,608,434.79 seized from an account number ending in -8082 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (2) \$50,162.02 seized from an account number ending in -3209 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (3) \$265,944.72 seized from an account number ending in -1850 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (4) \$452,188.57 seized from an account number ending in -5321 at Wells Fargo Bank in the name of Best Diamond Realty Corporation;
- (5) \$104,863.23 seized from an account number ending in -1656 at Wells Fargo Bank in the name of Best Alliance Construction, Inc.;

- (6) \$392,967.92 seized from an account number ending in -7647 at Wells Fargo Bank in the name of First Class Bancorp, Inc.;
- (7) \$819,750.80 seized from an account number ending in -6243 at Bank of America in the name of Best Diamond Funding;
- (8) \$5,000 seized from an account number ending in -6248 in the name of Best Diamond Funding Corporation;
- (9) \$39,483.38 seized from an account number ending in -2264 in the name of defendant and Best Diamond Funding;
- (10) \$143,246.04 seized from an account number ending in -0608 in the name of Best Diamond Realty Corporation;
- (11) \$5,971.00 seized from an account number ending in -0603 in the name of Best Diamond Realty Corporation;
- (12) \$133,600.29 seized from an account number ending in -2263 in the name of defendant and Best Diamond Funding;
- (13) approximately \$3,978,403.00 in United States currency that was seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding and Libreria del Exito Mundial;
- (14) \$6,400 from 64 American Express Traveler's Checks valued at \$100 each (check numbers RD210-158-610 through -627, RD210-158-630 through -654, and RC 907-988-217 through -237) that were seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding;
- (15) A 2004 Cadillac Escalade (VIN number 1GYEK63N54R229196) seized on

December 16, 2008 from defendant's residence at the time of his arrest;

(16) A 2008 Lexus GX 470-V8 (VIN number JTJBT20X880164985) seized on December 16, 2008 from defendant's residence at the time of his arrest;

(17) \$22,840 in United States currency seized on December 16, 2008 pursuant to a consent search of defendant's residence; and

(18) A Smith & Wesson Revolver, serial number DCF7556, seized on December 16, 2008 pursuant to a consent search of defendant's residence.

E. The Property is the subject of a civil forfeiture case filed by the United States now pending in the Central District of California. United States v. \$6,874,561.25 in Funds from Six Wells Fargo Bank Accounts, et al., CV 09-2398 ROK (RZx).

II. WAIVER AND RELEASE BY MILTON RETANA

This waiver and release is executed by Milton Retana, without admitting or denying any legal or factual matter except as otherwise specifically stated herein. Lidia Campos is the wife of Milton Retana.


Milton Retana hereby knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to contest the civil, criminal, or administrative forfeiture of the Property, all rights to receive notice of any forfeiture proceedings concerning the Property, and all rights to judicial review of the forfeiture of the Property. *Provided*, this release does not bind or otherwise affect the interests or rights of any receiver appointed over Milton Retana at the time this release is signed in the matter Juan Carlos Levya, et al. v. Best Diamond Funding Corp., et al., CV 09-3740 R (JCx), and is not intended to affect any powers granted to such receiver.

Should the United States, at its sole option, elect to discontinue forfeiture proceedings

Release by Milton Retana, Page 3

and instead apply all or part of the Property to any restitution obligation ultimately imposed in the event of a conviction and sentence in the criminal case, Milton Retana hereby further knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to assert any interest whatsoever in such property and agrees that it shall be applied to restitution.

Dated: 07/23/09


Milton Retana

INTERPRETER'S CERTIFICATION RE:
WAIVER AND RELEASE BY MILTON RETANA
OF CLAIMS TO CONTEST FORFEITURE

I, Monica Desideria am fluent in written and spoken Spanish and English languages. I accurately translated the entire attached WAIVER AND RELEASE BY MILTON RETANA OF CLAIMS TO CONTEST FORFEITURE from English into Spanish to Milton Retana on this date.

DATE: 9/23/09

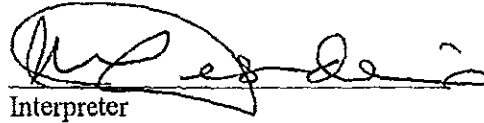

Interpreter

EXHIBIT 3

**WAIVER AND RELEASE BY BEST DIAMOND FUNDING CORP.
OF CLAIMS TO CONTEST FORFEITURE**

I. INTRODUCTION.

A. Milton Retana ("defendant") has been indicted for mail and wire fraud, and other offenses. United States v. Milton Retana, CR 08-1433.

B. In accordance with 28 U.S.C. § 9.1 et seq., the United States Attorney's Office for the Central District of California ("USAO") intends to institute proceedings to notify all persons who invested in the scheme described in the indictment of the ability to petition the Department of Justice for remission of property forfeited in connection with this investigation.

D. As of the date of this agreement, the government has seized the following assets in this investigation (the "Property"):

- (1) \$5,608,434.79 seized from an account number ending in -8082 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (2) \$50,162.02 seized from an account number ending in -3209 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (3) \$265,944.72 seized from an account number ending in -1850 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (4) \$452,188.57 seized from an account number ending in -5321 at Wells Fargo Bank in the name of Best Diamond Realty Corporation;
- (5) \$104,863.23 seized from an account number ending in -1656 at Wells Fargo Bank in the name of Best Alliance Construction, Inc.;

- (6) \$392,967.92 seized from an account number ending in -7647 at Wells Fargo Bank in the name of First Class Bancorp, Inc.;
- (7) \$819,750.80 seized from an account number ending in -6243 at Bank of America in the name of Best Diamond Funding;
- (8) \$5,000 seized from an account number ending in -6248 in the name of Best Diamond Funding Corporation;
- (9) \$39,483.38 seized from an account number ending in -2264 in the name of defendant and Best Diamond Funding;
- (10) \$143,246.04 seized from an account number ending in -0608 in the name of Best Diamond Realty Corporation;
- (11) \$5,971.00 seized from an account number ending in -0603 in the name of Best Diamond Realty Corporation;
- (12) \$133,600.29 seized from an account number ending in -2263 in the name of defendant and Best Diamond Funding;
- (13) approximately \$3,978,403.00 in United States currency that was seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding and Libreria del Exito Mundial;
- (14) \$6,400 from 64 American Express Traveler's Checks valued at \$100 each (check numbers RD210-158-610 through -627, RD210-158-630 through -654, and RC 907-988-217 through -237) that were seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding;
- (15) A 2004 Cadillac Escalade (VIN number 1GYEK63N54R229196) seized on

December 16, 2008 from defendant's residence at the time of his arrest;

(16) A 2008 Lexus GX 470-V8 (VIN number JTJBT20X880164985) seized on December 16, 2008 from defendant's residence at the time of his arrest;

(17) \$22,840 in United States currency seized on December 16, 2008 pursuant to a consent search of defendant's residence; and

(18) A Smith & Wesson Revolver, serial number DCF7556, seized on December 16, 2008 pursuant to a consent search of defendant's residence.

E. The Property is the subject of a civil forfeiture case filed by the United States now pending in the Central District of California. United States v. \$6,874,561.25 in Funds from Six Wells Fargo Bank Accounts, et al., CV 09-2398 RGK (RZx).

II. WAIVER AND RELEASE BY BEST DIAMOND FUNDING CORP.

This waiver and release is executed by Best Diamond Funding Corp., without admitting or denying any legal or factual matter, except as otherwise specifically stated herein.

Best Diamond Funding Corp. hereby knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to contest the civil, criminal, or administrative forfeiture of the Property, all rights to receive notice of any forfeiture proceedings concerning the Property, and all rights to judicial review of the forfeiture of the Property. *Provided*, this release does not bind or otherwise affect the interests or rights of any receiver appointed over Best Diamond Funding Corp. at the time this release is signed in the matter Juan Carlos Levya, et al. v. Best Diamond Funding Corp., et al., CV 09-3740 R (JCx), and is not intended to affect any powers granted to such receiver.

Should the United States, at its sole option, elect to discontinue forfeiture proceedings

and instead apply all or part of the Property to any restitution obligation ultimately imposed in the event of a conviction and sentence in the criminal case, Best Diamond Funding Corp. hereby further knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to assert any interest whatsoever in such property and agrees that it shall be applied to restitution.

Dated: 09/23/09

Best Diamond Funding Corp.

By: [Signature]
(Print name of person signing)

The undersigned declares under penalty of perjury that:

1. I am a duly-appointed officer of Best Diamond Funding Corp.
2. I am authorized by Best Diamond Funding Corp. to execute this waiver and release on behalf of Best Diamond Funding Corp., subject to the proviso above concerning the powers of any receiver in Levy, et al. v. Best Diamond Funding Corp., et al.

Dated: 09/23/09

[Signature]
Signature

Milton Retana
Printed name

President
Title

INTERPRETER'S CERTIFICATION RE:
WAIVER AND RELEASE BY BEST DIAMOND FUNDING CORP.
OF CLAIMS TO CONTEST FORFEITURE

I, Monica Desiderio, am fluent in written and spoken Spanish and English languages. I accurately translated the entire attached WAIVER AND RELEASE BY BEST DIAMOND FUNDING CORP. OF CLAIMS TO CONTEST FORFEITURE from English into Spanish to Milton Retana on this date.

DATE: 09/23/09


Interpreter

EXHIBIT 4

**WAIVER AND RELEASE BY BEST DIAMOND REALTY CORP.
OF CLAIMS TO CONTEST FORFEITURE**

I. INTRODUCTION.

A. Milton Retana ("defendant") has been indicted for mail and wire fraud, and other offenses. United States v. Milton Retana, CR 08-1433.

B. In accordance with 28 U.S.C. § 9.1 et seq., the United States Attorney's Office for the Central District of California ("USAO") intends to institute proceedings to notify all persons who invested in the scheme described in the indictment of the ability to petition the Department of Justice for remission of property forfeited in connection with this investigation.

D. As of the date of this agreement, the government has seized the following assets in this investigation (the "Property"):

- (1) \$5,608,434.79 seized from an account number ending in -8082 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (2) \$50,162.02 seized from an account number ending in -3209 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (3) \$265,944.72 seized from an account number ending in -1850 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (4) \$452,188.57 seized from an account number ending in -5321 at Wells Fargo Bank in the name of Best Diamond Realty Corporation;
- (5) \$104,863.23 seized from an account number ending in -1656 at Wells Fargo Bank in the name of Best Alliance Construction, Inc.;

Release by Best Diamond Realty Corp., Page 1

- (6) \$392,967.92 seized from an account number ending in -7647 at Wells Fargo Bank in the name of First Class Bancorp, Inc.;
- (7) \$819,750.80 seized from an account number ending in -6243 at Bank of America in the name of Best Diamond Funding;
- (8) \$5,000 seized from an account number ending in -6248 in the name of Best Diamond Funding Corporation;
- (9) \$39,483.38 seized from an account number ending in -2264 in the name of defendant and Best Diamond Funding;
- (10) \$143,246.04 seized from an account number ending in -0608 in the name of Best Diamond Realty Corporation;
- (11) \$5,971.00 seized from an account number ending in -0603 in the name of Best Diamond Realty Corporation;
- (12) \$133,600.29 seized from an account number ending in -2263 in the name of defendant and Best Diamond Funding;
- (13) approximately \$3,978,403.00 in United States currency that was seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding and Libreria del Exito Mundial;
- (14) \$6,400 from 64 American Express Traveler's Checks valued at \$100 each (check numbers RD210-158-610 through -627, RD210-158-630 through -654, and RC 907-988-217 through -237) that were seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding;

- (15) A 2004 Cadillac Escalade (VIN number 1GYEK63N54R229196) seized on December 16, 2008 from defendant's residence at the time of his arrest;
- (16) A 2008 Lexus GX 470-V8 (VIN number JTJBT20X880164985) seized on December 16, 2008 from defendant's residence at the time of his arrest;
- (17) \$22,840 in United States currency seized on December 16, 2008 pursuant to a consent search of defendant's residence; and
- (18) A Smith & Wesson Revolver, serial number DCF7556, seized on December 16, 2008 pursuant to a consent search of defendant's residence.

E. The Property is the subject of a civil forfeiture case filed by the United States now pending in the Central District of California. United States v. \$6,874,561.25 in Funds from Six Wells Fargo Bank Accounts, et al., CV 09-2398 RGK (RZx).

II. WAIVER AND RELEASE BY BEST DIAMOND REALTY CORP.

This waiver and release is executed by Best Diamond Realty Corp., without admitting or denying any legal or factual matter, except as otherwise specifically stated herein.

Best Diamond Realty Corp. hereby knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to contest the civil, criminal, or administrative forfeiture of the Property, all rights to receive notice of any forfeiture proceedings concerning the Property, and all rights to judicial review of the forfeiture of the Property. *Provided*, this release does not bind or otherwise affect the interests or rights of any receiver appointed over Best Diamond Realty Corp. at the time this release is signed in the matter Juan Carlos Levya, et al. v. Best Diamond Funding Corp., et al., CV 09-3740 R (JCx), and is not intended to affect any powers

granted to such receiver.

Should the United States, at its sole option, elect to discontinue forfeiture proceedings and instead apply all or part of the Property to any restitution obligation ultimately imposed in the event of a conviction and sentence in the criminal case, Best Diamond Realty Corp. hereby further knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to assert any interest whatsoever in such property and agrees that it shall be applied to restitution.

Dated: 09/23/09

Best Diamond Realty Corp.

By: [Signature]
(Print name of person signing)

The undersigned declares under penalty of perjury that:

1. I am a duly-appointed officer of Best Diamond Realty Corp.
2. I am authorized by Best Diamond Realty Corp. to execute this waiver and release on behalf of Best Diamond Realty Corp., subject to the proviso above concerning the powers of any receiver in Levy, et al. v. Best Diamond Funding Corp., et al.

Dated: 09/23/09

[Signature]
Signature

Milton Retana
Printed name

President
Title

Release by Best Diamond Realty Corp., Page 4

INTERPRETER'S CERTIFICATION RE:
WAIVER AND RELEASE BY BEST DIAMOND REALTY CORP.
OF CLAIMS TO CONTEST FORFEITURE

I, Monica Desiderio, am fluent in written and spoken Spanish and English languages. I accurately translated the entire attached WAIVER AND RELEASE BY BEST DIAMOND REALTY CORP. OF CLAIMS TO CONTEST FORFEITURE from English into Spanish to Milton Retana on this date.

DATE: 09/23/09



Interpreter

EXHIBIT 5

**WAIVER AND RELEASE BY BEST ALLIANCE CONSTRUCTION GROUP INC.
OF CLAIMS TO CONTEST FORFEITURE**

I. INTRODUCTION.

A. Milton Retana ("defendant") has been indicted for mail and wire fraud, and other offenses. United States v. Milton Retana, CR 08-1433.

B. In accordance with 28 U.S.C. § 9.1 et seq., the United States Attorney's Office for the Central District of California ("USAO") intends to institute proceedings to notify all persons who invested in the scheme described in the indictment of the ability to petition the Department of Justice for remission of property forfeited in connection with this investigation.

D. As of the date of this agreement, the government has seized the following assets in this investigation (the "Property"):

- (1) \$5,608,434.79 seized from an account number ending in -8082 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (2) \$50,162.02 seized from an account number ending in -3209 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (3) \$265,944.72 seized from an account number ending in -1850 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (4) \$452,188.57 seized from an account number ending in -5321 at Wells Fargo Bank in the name of Best Diamond Realty Corporation;
- (5) \$104,863.23 seized from an account number ending in -1656 at Wells Fargo Bank in the name of Best Alliance Construction, Inc.;

Release by Best Alliance Construction Group Inc., Page 1

63..

EXHIBIT 5

- (6) \$392,967.92 seized from an account number ending in -7647 at Wells Fargo Bank in the name of First Class Bancorp, Inc.;
- (7) \$819,750.80 seized from an account number ending in -6243 at Bank of America in the name of Best Diamond Funding;
- (8) \$5,000 seized from an account number ending in -6248 in the name of Best Diamond Funding Corporation;
- (9) \$39,483.38 seized from an account number ending in -2264 in the name of defendant and Best Diamond Funding;
- (10) \$143,246.04 seized from an account number ending in -0608 in the name of Best Diamond Realty Corporation;
- (11) \$5,971.00 seized from an account number ending in -0603 in the name of Best Diamond Realty Corporation;
- (12) \$133,600.29 seized from an account number ending in -2263 in the name of defendant and Best Diamond Funding;
- (13) approximately \$3,978,403.00 in United States currency that was seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding and Libreria del Exito Mundial;
- (14) \$6,400 from 64 American Express Traveler's Checks valued at \$100 each (check numbers RD210-158-610 through -627, RD210-158-630 through -654, and RC 907-988-217 through -237) that were seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding;

- (15) A 2004 Cadillac Escalade (VIN number 1GYEK63N54R229196) seized on December 16, 2008 from defendant's residence at the time of his arrest;
- (16) A 2008 Lexus GX 470-V8 (VIN number JTJBT20X880164985) seized on December 16, 2008 from defendant's residence at the time of his arrest;
- (17) \$22,840 in United States currency seized on December 16, 2008 pursuant to a consent search of defendant's residence; and
- (18) A Smith & Wesson Revolver, serial number DCF7556, seized on December 16, 2008 pursuant to a consent search of defendant's residence.

E. The Property is the subject of a civil forfeiture case filed by the United States now pending in the Central District of California. United States v. \$6,874,561.25 in Funds from Six Wells Fargo Bank Accounts, et al., CV 09-2398 RGK (RZx).

II. WAIVER AND RELEASE BY BEST ALLIANCE CONSTRUCTION GROUP INC.

This waiver and release is executed by Best Alliance Construction Group Inc., without admitting or denying any legal or factual matter, except as otherwise specifically stated herein.

Best Alliance Construction Group Inc. hereby knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to contest the civil, criminal, or administrative forfeiture of the Property, all rights to receive notice of any forfeiture proceedings concerning the Property, and all rights to judicial review of the forfeiture of the Property.

Should the United States, at its sole option, elect to discontinue forfeiture proceedings and instead apply all or part of the Property to any restitution obligation ultimately imposed in the event of a conviction and sentence in the criminal case, Best Alliance Construction Group

Inc. hereby further knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to assert any interest whatsoever in such property and agrees that it shall be applied to restitution.

Dated: 09/23/09

Best Alliance Construction Group Inc.

By: [Signature]
(Print name of person signing)

The undersigned declares under penalty of perjury that:

1. I am a duly-appointed officer of Best Alliance Construction Group Inc.
2. I am authorized by Best Alliance Construction Group Inc. to execute this waiver and release on behalf of Best Alliance Construction Group Inc.

Dated: 09/23/09

[Signature]
Signature

Milton R. Adams
Printed name

President
Title

INTERPRETER'S CERTIFICATION RE:
WAIVER AND RELEASE BY BEST ALLIANCE CONSTRUCTION GROUP INC.
OF CLAIMS TO CONTEST FORFEITURE

I, Monica Desiderio, am fluent in written and spoken Spanish and English
languages. I accurately translated the entire attached WAIVER AND RELEASE BY BEST
ALLIANCE CONSTRUCTION GROUP INC. OF CLAIMS TO CONTEST FORFEITURE
from English into Spanish to ~~Monica Desiderio~~ *English* on this date.

(Print name)
MILTON RETANA

DATE: 09/23/09

Monica Desiderio
Interpreter

EXHIBIT 6

**WAIVER AND RELEASE BY FIRST CLASS BANCORP, INC.
OF CLAIMS TO CONTEST FORFEITURE**

I. INTRODUCTION.

A. Milton Retana ("defendant") has been indicted for mail and wire fraud, and other offenses. United States v. Milton Retana, CR 08-1433:

B. In accordance with 28 U.S.C. § 9.1 et seq., the United States Attorney's Office for the Central District of California ("USAO") intends to institute proceedings to notify all persons who invested in the scheme described in the indictment of the ability to petition the Department of Justice for remission of property forfeited in connection with this investigation.

D. As of the date of this agreement, the government has seized the following assets in this investigation (the "Property"):

- (1) \$5,608,434.79 seized from an account number ending in -8082 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (2) \$50,162.02 seized from an account number ending in -3209 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (3) \$265,944.72 seized from an account number ending in -1850 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (4) \$452,188.57 seized from an account number ending in -5321 at Wells Fargo Bank in the name of Best Diamond Realty Corporation;
- (5) \$104,863.23 seized from an account number ending in -1656 at Wells Fargo Bank in the name of Best Alliance Construction, Inc.;

- (6) \$392,967.92 seized from an account number ending in -7647 at Wells Fargo Bank in the name of First Class Bancorp, Inc.;
- (7) \$819,750.80 seized from an account number ending in -6243 at Bank of America in the name of Best Diamond Funding;
- (8) \$5,000 seized from an account number ending in -6248 in the name of Best Diamond Funding Corporation;
- (9) \$39,483.38 seized from an account number ending in -2264 in the name of defendant and Best Diamond Funding;
- (10) \$143,246.04 seized from an account number ending in -0608 in the name of Best Diamond Realty Corporation;
- (11) \$5,971.00 seized from an account number ending in -0603 in the name of Best Diamond Realty Corporation;
- (12) \$133,600.29 seized from an account number ending in -2263 in the name of defendant and Best Diamond Funding;
- (13) approximately \$3,978,403.00 in United States currency that was seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding and Libreria del Exito Mundial;
- (14) \$6,400 from 64 American Express Traveler's Checks valued at \$100 each (check numbers RD210-158-610 through -627, RD210-158-630 through -654, and RC 907-988-217 through -237) that were seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding;
- (15) A 2004 Cadillac Escalade (VIN number 1GYEK63N54R229196) seized on

December 16, 2008 from defendant's residence at the time of his arrest;

(16) A 2008 Lexus GX 470-V8 (VIN number JTJBT20X880164985) seized on December 16, 2008 from defendant's residence at the time of his arrest;

(17) \$22,840 in United States currency seized on December 16, 2008 pursuant to a consent search of defendant's residence; and

(18) A Smith & Wesson Revolver, serial number DCF7556, seized on December 16, 2008 pursuant to a consent search of defendant's residence.

E. The Property is the subject of a civil forfeiture case filed by the United States now pending in the Central District of California. United States v. \$6,874,561.25 in Funds from Six Wells Fargo Bank Accounts, et al., CV 09-2398 RGK (RZx).

II. WAIVER AND RELEASE BY FIRST CLASS BANCORP, INC.

This waiver and release is executed by First Class Bancorp, Inc., without admitting or denying any legal or factual matter, except as otherwise specifically stated herein.

First Class Bancorp, Inc. hereby knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to contest the civil, criminal, or administrative forfeiture of the Property, all rights to receive notice of any forfeiture proceedings concerning the Property, and all rights to judicial review of the forfeiture of the Property.

Should the United States, at its sole option, elect to discontinue forfeiture proceedings and instead apply all or part of the Property to any restitution obligation ultimately imposed in the event of a conviction and sentence in the criminal case, First Class Bancorp, Inc. hereby further knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all

rights to assert any interest whatsoever in such property and agrees that it shall be applied to restitution.

Dated: 09/23/09

First Class Bancorp, Inc.

By: [Signature]
(Print name of person signing)

The undersigned declares under penalty of perjury that:

1. I am a duly-appointed officer of First Class Bancorp, Inc.
2. I am authorized by First Class Bancorp, Inc. to execute this waiver and release on behalf of First Class Bancorp, Inc.

Dated: 09/23/09

[Signature]
Signature

Milton Retana
Printed name

President
Title

INTERPRETER'S CERTIFICATION RE:
WAIVER AND RELEASE BY FIRST CLASS BANCORP, INC.
OF CLAIMS TO CONTEST FORFEITURE

I, Monica Desiderio, am fluent in written and spoken Spanish and English
languages. I accurately translated the entire attached WAIVER AND RELEASE BY FIRST
CLASS BANCORP, INC. OF CLAIMS TO CONTEST FORFEITURE from English into
Spanish to MILTON RETANA on this date.
(Print name)

DATE: 09/23/09

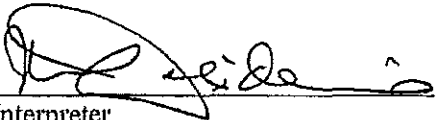

Interpreter

EXHIBIT 7

**WAIVER AND RELEASE BY LYDIA CAMPOS
OF CLAIMS TO CONTEST FORFEITURE**

I. INTRODUCTION.

A. Milton Retana ("defendant") has been indicted for mail and wire fraud, and other offenses. United States v. Milton Retana, CR 08-1433.

B. In accordance with 28 U.S.C. § 9.1 et seq., the United States Attorney's Office for the Central District of California ("USAO") intends to institute proceedings to notify all persons who invested in the scheme described in the indictment of the ability to petition the Department of Justice for remission of property forfeited in connection with this investigation.

D. As of the date of this agreement, the government has seized the following assets in this investigation (the "Property"):

- (1) \$5,608,434.79 seized from an account number ending in -8082 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (2) \$50,162.02 seized from an account number ending in -3209 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (3) \$265,944.72 seized from an account number ending in -1850 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (4) \$452,188.57 seized from an account number ending in -5321 at Wells Fargo Bank in the name of Best Diamond Realty Corporation;
- (5) \$104,863.23 seized from an account number ending in -1656 at Wells Fargo Bank in the name of Best Alliance Construction, Inc.;

Release by Lidia Campos, Page 1

- (6) \$392,967.92 seized from an account number ending in -7647 at Wells Fargo Bank in the name of First Class Bancorp, Inc.;
- (7) \$819,750.80 seized from an account number ending in -6243 at Bank of America in the name of Best Diamond Funding;
- (8) \$5,000 seized from an account number ending in -6248 in the name of Best Diamond Funding Corporation;
- (9) \$39,483.38 seized from an account number ending in -2264 in the name of defendant and Best Diamond Funding;
- (10) \$143,246.04 seized from an account number ending in -0608 in the name of Best Diamond Realty Corporation;
- (11) \$5,971.00 seized from an account number ending in -0603 in the name of Best Diamond Realty Corporation;
- (12) \$133,600.29 seized from an account number ending in -2263 in the name of defendant and Best Diamond Funding;
- (13) approximately \$3,978,403.00 in United States currency that was seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding and Libreria del Exito Mundial;
- (14) \$6,400 from 64 American Express Traveler's Checks valued at \$100 each (check numbers RD210-158-610 through -627, RD210-158-630 through -654, and RC 907-988-217 through -237) that were seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding;
- (15) A 2004 Cadillac Escalade (VIN number 1GYEK63N54R229196) seized on

December 16, 2008 from defendant's residence at the time of his arrest;

(16) A 2008 Lexus GX 470-V8 (VIN number JTJBT20X880164985) seized on December 16, 2008 from defendant's residence at the time of his arrest;

(17) \$22,840 in United States currency seized on December 16, 2008 pursuant to a consent search of defendant's residence; and

(18) A Smith & Wesson Revolver, serial number DCF7556, seized on December 16, 2008 pursuant to a consent search of defendant's residence.

E. The Property is the subject of a civil forfeiture case filed by the United States now pending in the Central District of California. United States v. \$6,874,561.25 in Funds from Six Wells Fargo Bank Accounts, et al., CV 09-2398 RGK (RZx).

II. WAIVER AND RELEASE BY LIDIA CAMPOS

This waiver and release is executed by Lidia Campos, without admitting or denying any legal or factual matter except as otherwise specifically stated herein. Lidia Campos is the wife of Milton Retana.

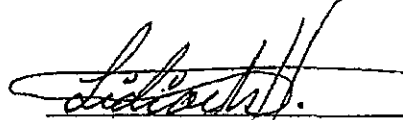
Lidia Campos hereby knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to contest the civil, criminal, or administrative forfeiture of the Property, all rights to receive notice of any forfeiture proceedings concerning the Property, and all rights to judicial review of the forfeiture of the Property. *Provided*, this release does not bind or otherwise affect the interests or rights of any receiver appointed over Lidia Campos at the time this release is signed in the matter Juan Carlos Levya, et al. v. Best Diamond Funding Corp., et al., CV 09-3740 R (JCx), and is not intended to affect any powers granted to such receiver.

Should the United States, at its sole option, elect to discontinue forfeiture proceedings

Release by Lidia Campos, Page 3

and instead apply all or part of the Property to any restitution obligation ultimately imposed in the event of a conviction and sentence in the criminal case, Lidia Campos hereby further knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to assert any interest whatsoever in such property and agrees that it shall be applied to restitution.

Dated: 09-28-09



Lidia Campos

INTERPRETER'S CERTIFICATION RE:
WAIVER AND RELEASE BY LYDIA CAMPOS
OF CLAIMS TO CONTEST FORFEITURE

I, Rossy Franklin, am fluent in written and spoken Spanish and English

languages. I accurately translated the entire attached WAIVER AND RELEASE BY LYDIA
CAMPOS OF CLAIMS TO CONTEST FORFEITURE from English into Spanish to Lidia
Campos on this date.

DATE: 9-28-09

Rossy Franklin
Interpreter

EXHIBIT 8

**WAIVER AND RELEASE BY LIBRERIA DEL EXITO MUNDIAL, INC.
OF CLAIMS TO CONTEST FORFEITURE**

I. INTRODUCTION.

A. Milton Retana ("defendant") has been indicted for mail and wire fraud, and other offenses. United States v. Milton Retana, CR 08-1433.

B. In accordance with 28 U.S.C. § 9.1 et seq., the United States Attorney's Office for the Central District of California ("USAO") intends to institute proceedings to notify all persons who invested in the scheme described in the indictment of the ability to petition the Department of Justice for remission of property forfeited in connection with this investigation.

D. As of the date of this agreement, the government has seized the following assets in this investigation (the "Property"):

- (1) \$5,608,434.79 seized from an account number ending in -8082 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (2) \$50,162.02 seized from an account number ending in -3209 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (3) \$265,944.72 seized from an account number ending in -1850 at Wells Fargo Bank in the name of Best Diamond Funding Corporation;
- (4) \$452,188.57 seized from an account number ending in -5321 at Wells Fargo Bank in the name of Best Diamond Realty Corporation;
- (5) \$104,863.23 seized from an account number ending in -1656 at Wells Fargo Bank in the name of Best Alliance Construction, Inc.;

- (6) \$392,967.92 seized from an account number ending in -7647 at Wells Fargo Bank in the name of First Class Bancorp, Inc.;
- (7) \$819,750.80 seized from an account number ending in -6243 at Bank of America in the name of Best Diamond Funding;
- (8) \$5,000 seized from an account number ending in -6248 in the name of Best Diamond Funding Corporation;
- (9) \$39,483.38 seized from an account number ending in -2264 in the name of defendant and Best Diamond Funding;
- (10) \$143,246.04 seized from an account number ending in -0608 in the name of Best Diamond Realty Corporation;
- (11) \$5,971.00 seized from an account number ending in -0603 in the name of Best Diamond Realty Corporation;
- (12) \$133,600.29 seized from an account number ending in -2263 in the name of defendant and Best Diamond Funding;
- (13) approximately \$3,978,403.00 in United States currency that was seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding and Libreria del Exito Mundial;
- (14) \$6,400 from 64 American Express Traveler's Checks valued at \$100 each (check numbers RD210-158-610 through -627, RD210-158-630 through -654, and RC 907-988-217 through -237) that were seized on October 29, 2008 during the execution of a federal search warrant at Best Diamond Funding;
- (15) A 2004 Cadillac Escalade (VIN number 1GYEK63N54R229196) seized on

December 16, 2008 from defendant's residence at the time of his arrest;

(16) A 2008 Lexus GX 470-V8 (VIN number JTJBT20X880164985) seized on December 16, 2008 from defendant's residence at the time of his arrest;

(17) \$22,840 in United States currency seized on December 16, 2008 pursuant to a consent search of defendant's residence; and

(18) A Smith & Wesson Revolver, serial number DCF7556, seized on December 16, 2008 pursuant to a consent search of defendant's residence.

E. The Property is the subject of a civil forfeiture case filed by the United States now pending in the Central District of California. United States v. \$6,874,561.25 in Funds from Six Wells Fargo Bank Accounts, et al., CV 09-2398 RGK (RZx).

II. WAIVER AND RELEASE BY LIBRERIA DEL EXITO MUNDIAL, INC.

This waiver and release is executed by Libreria Del Exito Mundial, Inc., without admitting or denying any legal or factual matter, except as otherwise specifically stated herein.


Libreria Del Exito Mundial, Inc. hereby knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all rights to contest the civil, criminal, or administrative forfeiture of the Property, all rights to receive notice of any forfeiture proceedings concerning the Property, and all rights to judicial review of the forfeiture of the Property.

Should the United States, at its sole option, elect to discontinue forfeiture proceedings and instead apply all or part of the Property to any restitution obligation ultimately imposed in the event of a conviction and sentence in the criminal case, Libreria Del Exito Mundial, Inc. hereby further knowingly, voluntarily, and intelligently waives, relinquishes, and surrenders all

rights to assert any interest whatsoever in such property and agrees that it shall be applied to restitution.

Dated: 09-28-09

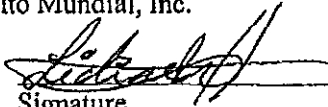
Librería Del Exito Mundial, Inc.

By: 
(Print name of person signing)
LIDIA CAMPOS

The undersigned declares under penalty of perjury that:

1. I am a duly-appointed officer of Librería Del Exito Mundial, Inc.
2. I am authorized by Librería Del Exito Mundial, Inc. to execute this waiver and release on behalf of Librería Del Exito Mundial, Inc.

Dated: 09 28 09


Signature

LIDIA CAMPOS
Printed name

President
Title

INTERPRETER'S CERTIFICATION RE:
WAIVER AND RELEASE BY LIBRERIA DEL EXITO MUNDIAL
OF CLAIMS TO CONTEST FORFEITURE

I, Rossy Franklin, am fluent in written and spoken Spanish and English
languages. I accurately translated the entire attached WAIVER AND RELEASE BY LIBRERIA
DEL EXITO MUNDIAL OF CLAIMS TO CONTEST FORFEITURE from English into Spanish
to Lidia Campos on this date.
(Print name)

DATE: 9-28-09

Rossy Franklin
Interpreter

EXHIBIT 9

EDYTHE L. BRONSTON
LAW OFFICES OF EDYTHE L. BRONSTON
14156 MAGNOLIA BOULEVARD, SUITE 200
SHERMAN OAKS, CALIFORNIA 91423

TELEPHONE: (818) 528-2893
FACSIMILE: (818) 528-7445
E-MAIL: ebonston@bronstonlaw.com
WEBSITE: www.bronstonlaw.com

Edythe L. Bronston is a Principal with the Law Offices of Edythe L. Bronston in Sherman Oaks, California. Ms. Bronston is a court appointed fiduciary, accepting assignments as a Receiver, Provisional Director, and Partition Referee. Her 29 years experience in that capacity has given her a breadth of experience in many varied business enterprises.

She is presently Receiver in an action brought by the Securities and Exchange Commission in which over 225 investors were the victims of a Ponzi scheme, is Receiver over two DirectBuy franchises, is Provisional Director of ANSA, Inc., doing business as the Los Angeles Auto Show and of a dissolving law firm, and is in the process of liquidating several properties as Partition Referee.

Recent assignments include Provisional Director for the Rehabilitation Center of Beverly Hills, a skilled nursing facility in Beverly Hills, wherein she was involved in virtually every operational aspect of the entity; oversight of filming, completion and delivery of the Disney television movies "Eloise at the Plaza," and its sequel, "Eloise at Christmastime," as Receiver; post-judgment Receiver over Tahzco, LLC, Shadow Entertainment, Inc. and Tanna Productions, Inc.; sale of Beautiful Dreamer, LLC, a production company; the \$5.6 million sale of commercial realty, as Grantor Trustee; dissolution of a postal insurance company, as Receiver; running a property management and loan servicing company as Receiver; many sales of commercial and residential property under the auspices of the Los Angeles and Orange County Superior Courts, as Partition Referee; Receiver of a wholesale produce company; Provisional Director for a lighting manufacturer; post-judgment Receiver to maintain and control a 224 unit apartment building, pending sale; Receiver for Los Angeles Homeowners Aid, Inc., an operating entity owning 126 rental units and 115 deeds of trust; as Receiver, operation and management of two service stations; as Receiver, operation and management of a large air conditioning service company; Provisional Director of a successful recycling center; Receiver of an operating water pipeline company; Receiver of a retail men's clothing store; Provisional Director of a medical supplier; and as Receiver in a family law case, sale of an unfinished residential estate for \$35.0 million.

Ms. Bronston is an experienced trial lawyer in the state and federal courts and has served as a lawyer representative to the Ninth Circuit Judicial Conference (1992-1998), as a Trustee on the Board of Trustees of the Los Angeles County Bar Association (1997-1998), and as a Court-appointed receiver, provisional director, referee, and grantor trustee. She has been a certified

mediator and a member of the United States Bankruptcy Court's Central District Mediation Panel and has been approved by the U.S. Department of Labor as an independent ERISA fiduciary.

Ms. Bronston is a founding Director and past President of the Los Angeles/Orange County Receivers Forum, the statewide California Receivers Forum, of which she is the immediate Past-President, and the California Bankruptcy Forum, as well as past President of both the California Bankruptcy Forum and the Los Angeles Bankruptcy Forum. She also serves on the Los Angeles Superior Court's Ad-Hoc Committee on Receiverships, formed to develop rules to guide the Court and litigants to a more efficient and uniform implementation of receiverships, and on that Court's Committee on Earthquake Issues, created after the January, 1994 Northridge earthquake. She has been a member and past Chair of the Executive Committee of the Remedies (formerly the Provisional and Post-Judgment Remedies) Section of the Los Angeles County Bar Association since 1984; a founding Director (and past President) of the statewide California Bankruptcy Forum since its inception in 1989; a member of the Executive Committee of the Litigation Section of the Los Angeles County Bar Association from 1993-1999; and served on the Insolvency Committee of the Business Law Section of the State Bar of California from 1999-2001.

Ms. Bronston is the author of both the original and the updated two-volume Action Guide "Obtaining Appointment of a Receiver (and Monitoring the Receivership)" published by Continuing Education of the Bar (1991, 1993), and has authored many bankruptcy and receivership articles as well as the chapter on Receiverships in the Bancroft-Whitney book entitled "California Foreclosure Law and Practice," first published in April, 1993. She was a contributing editor for the Matthew-Bender publication "Provisional Remedies," first published in 1993, and co-authored the materials for the Thirteenth Annual Real Property Retreat - State Bar of California on "Assignment of Rents in Transactions, Litigation and Bankruptcy: Current Issues and Proposed Solutions" as well as annual materials for Continuing Education of the Bar, dealing with provisional remedies, real property foreclosures, receiverships and secured transactions (1993-1998.)

Ms. Bronston lectures extensively on all facets of receiverships and provisional directorships, for Continuing Education of the Bar, the State Bar of California, the Los Angeles County Bar Association, the California Receivers Forum, and various other bar associations and business groups. She produced a two day advanced receivership program, "Receiverships in the New Millennium: Part I," co-sponsored by the California Receivers Forum and Loyola Law School, in April, 2000 and Part II in October, 2004, the latter attracting more than 130 attendees from throughout the State of California.

Ms. Bronston is the Founder and President of the California Jazz Foundation, a 501(c)(3) corporation formed to help jazz musicians in need, both financially and through an extensive medical referral network.

EXHIBIT 10

LO BUGLIO & SIGMAN

FIRM RESUME

LoBuglio & Sigman was established in 1982 by Dominic LoBuglio and Michael Sigman. The Firm specializes in litigation services, primarily providing accounting, taxation, and consulting services to bankruptcy trustees, court appointed receivers, and attorneys as outlined below:

ACCOUNTING AND CONSULTING

- Forensic accounting
 - Fraud investigations
 - Preferences and fraudulent transfers
 - Tracing
 - Expert witness
- Reconstruction accounting
- Cash flow analysis
- Analysis of business operations and internal controls
- EDP analysis and applications

TAXATION AND CONSULTING

- Research, planning and projections
- Transaction analysis
- Compliance

A List of equity receivership engagements is attached. The majority of these cases resulted from actions commenced by the California Department of Corporations, California Department of Real Estate, Securities and Exchange Commissions, and Federal Trade Commission. Our bankruptcy engagements are too numerous to list.

The Firm also provides accounting, taxation and consulting services to small and medium size businesses and high net worth individuals.

PARTNERS

Dominic LoBuglio - Refer to the attached summary of qualifications and experience.

Michael A. Sigman - Refer to the attached summary of qualifications and experience.

DOMINIC LO BUGLIO

QUALIFICATIONS AND EXPERIENCE

PROFESSIONAL AFFILIATIONS:

- Certified Public Accountant in California since 1977
- Certified in Financial Forensics
- Member of the American Institute of Certified Public Accountants
- Member of the California Society of Certified Public Accountants
- Arbitrator - American Arbitration Association's Panel of Arbitrators (prior service)
- Member of the National Association of Bankruptcy Trustees
- Board of Directors - California Receivers Forum

EMPLOYMENT:

- Partner at LoBuglio & Sigman (November, 1982 - current)
[1875 Century Park East, Suite 1730, Los Angeles, CA 90067
(310-553-8435)]
- Manager at Martin Algaze, An Accountancy Corporation
(January, 1980 - November, 1982)
- Supervisory Senior at Arthur Young & Company (September, 1975
- January, 1980)
- Operations Officer and Loan Officer at Security Pacific
National Bank (August, 1970 - September, 1975)

EXPERIENCE:

Accounting

- Audit and taxation in a variety of industries, including manufacturing, engineering, real estate and construction, entertainment, advertising, insurance, and farming and dairy
- Accountant for court appointed receivers of various entities involved in real estate, mining, finance, and numismatics
- Accountant for bankruptcy trustees
- Special purpose investigations
- S.E.C. filings
- Expert witness (see attached list)
 - Testimony in Federal District Court
 - Testimony in California Superior Court

Entertainment

- Audits of production/distribution participation statements (film; video; television, including barter sales syndications)

Banking

- Commercial banking operations and commercial bank lending activities

DOMINIC LO BUGLIO

QUALIFICATIONS AND EXPERIENCE

Finance

- Financial consulting
- Investment analysis
- Business acquisitions/dispositions

EDUCATION:

- M.B.A. in Management, University of Southern California,
1976
- B.S. in Accounting, California State University at Los
Angeles, 1974

MICHAEL A. SIGMAN

QUALIFICATIONS AND EXPERIENCE

PROFESSIONAL AFFILIATIONS:

- Certified Public Accountant in California since 1983
- Member of the American Institute of Certified Public Accountants
- Member of the A.I.C.P.A. Tax Division
- Member of the California Society of Certified Public Accountants
- Adjunct faculty member - Santa Monica College
- Member of the California Receivers Forum

EMPLOYMENT:

- Partner at LoBuglio & Sigman (November, 1982 - current)
[1875 Century Park East, Suite 1730, Los Angeles, CA 90067
(310-553-8435)]
- Accountant at Martin Algaze, An Accountancy Corporation
(January, 1980 - September, 1982)

EXPERIENCE:

Accounting

- Audit and taxation in a variety of industries, including manufacturing, real estate and construction, entertainment, insurance, medical and dental practices, produce, and interior design
- Accountant for court appointed receivers of various entities involved in real estate, mining, finance, numismatics, and medical insurance
- Accountant for bankruptcy trustees
- Special purpose investigations
- S.E.C. filings

Entertainment

- Audits of production/distribution participation statements

Finance

- Financial consulting
- Investment analysis
- Business acquisitions/dispositions

EDUCATION:

- B.S. in Accounting, California State University at Northridge, 1979

LOBUGLIO & SIGMAN

HOURLY RATES

DOMINIC LOBUGLIO	\$375
MICHAEL A. SIGMAN	\$325
AHMED SEEDAT	\$155
ROBERT ROTWEIN	\$135
WISNU IBRAHIM	\$125
ELLIOT GOWHARI	\$120

RECEIVERSHIP ENGAGEMENTS

<u>CASE</u>	<u>RECEIVER</u>
Goldfield Deep Mines (Gold Investments)	Monte Krissman
Orefield Partnerships (Real Estate)	John Busetti
American National Cellular (Licensing)	Robert Baker
Schoolhouse Coins (Numismatics)	Robert Baker
American Equities (Mortgage Broker)	David L. Ray
Visa Enterprises Inc. (Real Estate)	David L. Ray
Eurobond/Eurogold (Securities Investments)	David L. Ray
Flahavan Et Al (Law Firm)	David L. Ray
Nemix Foods (Food Distribution)	David L. Ray
National Consumers Finance Co. (Lending)	Peter A. Davidson
Ventura Plaza (Real Estate)	John McGann
Univest Home Loan (Mortgage Broker)	David L. Ray
Stratified Advertising (Employment Services)	Peter A. Davidson
Tipar Produce, Inc. (Food Distribution)	Edythe L. Bronston
PCI Data, Inc. (Foreign Currency Trading)	Peter A. Davidson
Subo Corporation (Communications)	Byron Z. Moldo
INETINTL.COM, Inc (Internet Services)	David L. Ray
All-Pacific Escrow (Escrow Services)	Peter A. Davidson
Automated Systems & Concepts International, Inc.; et al. (Infomercial Productions)	Byron Z. Moldo

Long Beach Hospital (Health Care)	David J. Pasternak
Century Direct Marketing, Inc. (Auction Catalogs)	David L. Ray
Ritchie Brothers Precision Manufacturing, Inc. (Manufacturer of Industrial Machinery)	Andrew R. Zimbaldi
RSA Lighting, LLC (Specialized Lighting Systems)	Les Rodin
General Supply Centers, Inc. (Toner and related products)	Byron Z. Moldo
Mediworks, Inc. (Medical Billing Software)	Peter A. Davidson
Schultz Investment Advisory (Mutual Fund)	David L. Ray
Medicor, LLC (Medical Medical Billing Software)	Byron Z. Moldo
KT Security Services, Inc. (Towing Services)	David J. Pasternak
Ami Shafrir, et al. v. Sarit Shafrir, etc., et al. (Real Estate)	David J. Pasternak
Jose Gudino v. Ruben Vasques, et al. (Food Processing)	Byron Z. Moldo
In Re Marriage of Fatemeh Nadia Iravani and Amir Moshen Iravani (Divorce Case)	David J. Pasternak
Alden Jonathon Appleton, et al. (Real Estate)	David L. Ray
NLCS Escrow Services, Inc. (Escrow company)	David J. Pasternak
Los Angeles Homeowners Aid, Inc. (Real Estate)	Edythe Bronston
Federal Trade Commission v. Unicyber Technology, Inc., et al., (Computer Hardware Distribution)	Peter Davidson
Connecticut General Life Insurance Company, et al., v. New Images of Beverly Hills, etc., et al. (Medical and Surgical Centers)	David L. Ray

Sarkis Gumrikyan, et al. v. Khachik Kesheshyan, David J. Pasternak
etc., et al.
(Catering Business)

Kea Balani; Kio Bahrami; et al. v. Curtis Tao, David J. Pasternak
Alice Tao, Akita Floors, etc., et al.
(Hardwood Floor Manufacturing)

Garnik Gholikandi Badalyans v. Caltron Robert C. Warren
Construction Inc.
(Construction)

Securities and Exchange Commission v. Jon Edythe L. Bronston
W. James, et al.
(Offer and sale of securities)

In Re Marriage of Sharon Steffien v. Alvin T. David Pasternak
Steffien
(Equipment Leasing)

Escrow Diversified, Inc. (Escrow Company) Peter A. Davidson

Precision Pipeline, Inc. (Pipeline Construction) Edythe L. Bronston

Michael M. Koshak et al. v. Hany Malek et al. David J. Pasternak
(Health Care)

Premier Transactions Escrow, Inc. (Escrow Peter A. Davidson
(Escrow Company)

Platinum Escrow (Escrow Company) Peter A. Davidson

Securities an Exchange Commission v. Billion Barry A. Fisher
Coupons, Inc. (Foreign Currency Trading

West Escrow, Inc. (Escrow Company) Peter A. Davidson

DOMINIC LO BUGLIO

EXPERT WITNESS AND CONSULTANT ENGAGEMENTS

- 1982 Security and Exchange Commission v. Goldfield Deep Mines
Case involved a fraudulent investment scheme
Qualified as expert accountant by SEC attorney
Testified in Federal District Court on behalf of plaintiff
- circa 1990 Business valuation case
Retained by Marvin Bernstein, Esq.
Testified in arbitration proceeding
- circa 1994 Ventura Plaza
Order to show cause pertaining to former owner's retention of rents in a
receivership case
Retained by Sandra Stevens, Esq. of Saltzburg, Ray & Bergman
Qualified as expert accountant
Testified in California Superior Court on behalf of receiver
- 1998 In re: Murdock, Inc., Debtor
Case involved insider preference payments
Retained by Saltzburg, Ray & Bergman, Special Counsel for Official Committee
Of Unsecured Creditors
Case settled prior to deposition and testimony
- 1998 Standard Brands Paint v. Fletcher Byron
Case involved insider preference payments
Retained by Robert E. Feyder, Esq. of Kirkpatrick & Lockhart LLP on behalf of
defendant
Case settled prior to deposition and testimony
- 2000 Miller Metals et al
Case involved the issue of usurious interest on a note
Retained by Theresa A. Kristovich, Esq. of Kelly Drye & Warren LLP on behalf
of defendant Miller Metals
Deposition taken; case settled during trial prior to expert testimony
- 2002/2003 Smurfit v. Media News Group, et al.
Case involved damages resulting from a breach of contract
Retained by Theresa A. Kristovich, Esq. of Hughes Hubbard & Reed LLP
Qualified as expert accountant
Testified in California Superior Court on behalf of defendant

- 2003 Lot 27 Beverly Venture, Inc. v. Han Moeljadi, Evie Moeljadi, and HBE Management & Investment, Inc.
Case involved damages resulting breach of fiduciary duty, fraud, conspriacy, and conversion
Retained by Byron Z. Moldo of Rein Evans & Sestanovich LLP as a consultant
Case settled after mediation
- 2003/2004 Compaq Computer Corporation v. Mag-Tek, Inc.
Case involved damages resulting from a breach of contract pertaining to the sale of a business
Retained by Shigeru Watanabe, Esq. of Van Etten Suzumoto & Becket LLP as an expert accountant
Case settled after deposition and prior to testimony
- 2003/2004 The Capital Life Insurance Company, et al. v. The Prudential Insurance Company of America, et al.
Case involved losses resulting from purchase of mortgage backed securities offered by the Defendants in a private placement memorandum
Retained by Jon Borderud of Prongay & Borderud as an expert accountant
Case settled after deposition and prior to testimony
- 2004 Touse Homes, Inc. fka Engle Homes, Inc. v. Brent R. Phillips, et al.
Case involved losses resulting from purchase of the assets of Defendants' real estate development companies
Retained by Ann Lyter Thomas, Esq. of Kolesar & Leatham, Chtd. as an expert accountant
Engagement is currently in progress
- 2005 Securities and Exchange Commission v. Emvest Mortgage Fund, LLC, et al.
Case involved allegations by the Commission of an ongoing Ponzi scheme concerning the fraudulent offer and sale of securities
Retained by Molly M. White, Esq. of the Securities and Exchange Commission as an expert accountant
Testified in Federal District Court on behalf of plaintiff
- 2006 James H. Donell, Court Appointed Receiver v. GM Partners LP, et al.
Case involved alleged fraudulent transfer of real estate.
Retained by Kimberly D. Lewis, Esq. of Moldo Davidson Fraioli Seror & Sestanovich LLP
Case settled prior to testimony
- 2007 Four Star Financial Services, LLC v. Andrew R. Zimbaldi.

- Case involved alleged fraudulent transfer of money in a
"Ponzi-type scheme"
Retained by defendant
Case settled after issuance of expert report
- 2007 Balani; Kio Bahrami; et al. v. Curtis Tao, Alice Tao,
Akita Floors, etc., et al.
Case involved partnership dispute resulting from the sale/
acquisition of a hardwood floor manufacturing business
Testimony requested by both parties
Case settled after testimony in court
- 2008 In re: C&C Jewelry Mfg., Inc., Alleged Debtor
Case involves an involuntary bankruptcy petition filed against C&C Jewelry
Mfg., Inc.
Retained by C&C Jewelry Mfg., Inc.
Expert report has been filed
Motion by C&C Jewelry Mfg., Inc. for dismissal has been granted.
- 2008 Securities and Exchange Commission v. CMKM Diamonds, Inc., et al.
Case involves allegations by the Commission of a massive and complex scheme
to improperly issue and sell stock and to manipulate stock price and volume
Retained by Molly M. White, Esq. of the Securities and Exchange Commission as
an expert accountant
Case is in discovery stage

AHMED SEEDAT

QUALIFICATIONS AND EXPERIENCE

EMPLOYMENT:

- Accountant at LoBuglio & Sigman, (February, 2000 - current)
[1875 Century Park East, Suite 1730, Los Angeles, CA 90067
(310-553-8435)]
- Order Processing Associate at Artistdirect.com, (February,
2000 - June, 2001) [5700 Wilshire Bl., Los Angeles, CA 90067]

EXPERIENCE:

- Tax return preparation for individuals, corporations,
partnerships, and trusts
- Computerized accounting systems
- Accounting for bankruptcy estates and receivership estates
- Assistance with litigation services engagements

COMPUTER SKILLS:

- Microsoft operating system
- Microsoft Office
- MAS 90
- WinFiler
- Readiris Pro 9
- goSystem Tax RS

EDUCATION:

- B.S. in Business Administration with emphasis in
Financial Accounting, California State University
at Dominguez Hills, 2005 (Graduated with Honors)
- A.A. in Liberal Arts, Santa Monica College, 2001

ROBERT ROTWEIN

QUALIFICATIONS AND EXPERIENCE

EMPLOYMENT:

- Accountant at LoBuglio & Sigman, (September, 2008 - current)
[1875 Century Park East, Suite 1730, Los Angeles, CA 90067
(310-553-8435)]
- President, HPG INTERIORS, (March, 2006 - January, 2008)
[222 Sutter Street, San Francisco, CA 94108]
- Vice President, Barbara Barry Incorporated, (February, 2000 - September, 2005)
[9526 Pico Blvd., Los Angeles, CA 90035]

EXPERIENCE:

- Business management and operations
- Office management
- Accounts payable
- Accounts receivable
- Computerized accounting systems
- Accounting for bankruptcy estates and receivership estates
- Assistance with litigation services engagements

COMPUTER SKILLS:

- Microsoft operating system
- Microsoft Office
- Proficient in Peachtree
- Proficient in QuickBooks
- Knowledgeable in network administration

EDUCATION:

- B.A. in English, University of California Santa Barbara, 1982 (Graduated with Honors)
- Series 7, Solomon Smith Barney, 1995
- Accounting coursework, Santa Monica College, 2005

WISNU IBRAHIM

QUALIFICATIONS AND EXPERIENCE

EMPLOYMENT:

- Accountant at LoBuglio & Sigman, (February, 2000 - current)
[1875 Century Park East, Suite 1730, Los Angeles, CA 90067
(310-553-8435)]

EXPERIENCE:

- Tax return preparation for individuals, corporations,
partnerships, and trusts
- Computerized accounting systems
- Accounting for bankruptcy estates and receivership estates
- Assistance with litigation services engagements

COMPUTER SKILLS:

- Microsoft operating system
- Microsoft Office
- MAS 90
- goSystem Tax RS

EDUCATION:

- B.S. in Business Administration with emphasis in
Financial Accounting, Pepperdine University, 2004

ELLIOT GOWHARI

QUALIFICATIONS AND EXPERIENCE

EMPLOYMENT:

- LoBuglio & Sigman (May, 2000 - August 2002 (full time);
currently as needed)
[1875 Century Park East, Suite 1730, Los Angeles, CA 90067
(310-553-8435)]

EXPERIENCE:

- Tax return preparation for individuals, corporations,
partnerships, and trusts
- Computerized accounting systems
- Accounts payable
- Accounts receivable
- Accounting for bankruptcy estates and receivership estates
- Assistance with litigation services engagements

COMPUTER SKILLS:

- Proficient in Microsoft Access and SQL programming
- Proficient in Excel
- Proficient in MAS 90
- Proficient in Peachtree
- Proficient in network administration
- Knowledgeable in hardware systems design and maintenance

EXHIBIT 11

ROBB EVANS & ASSOCIATES LLC

Fiduciaries, Asset Managers & Consultants

Los Angeles, CA • Las Vegas, NV • Greenwich, CT

VIA EMAIL

Monica.Tait@usdoj.gov

December 17, 2009

Monica Tait, Esq.
Assistant U.S. Attorney
1400 United States Courthouse
312 N. Spring Street
Los Angeles, CA 90012

Dear Ms. Tait:

Thank you for your telephone call regarding the need for a Special Master in the Best Diamond Funding Corp. matter.

Our organization has performed the duties as set forth in the Proposed Order Appointing Special Master in a number of cases involving Ponzi schemes. The following are examples:

- *CFTC v. LakeShore Asset Management Limited, et al.*
The distribution fund in this matter approximates \$100 million. As Receiver, our firm managed the claims process involving 1,700 victims.
- *SEC v. Financial Advisory Consultants, Inc., et al.*
The distribution fund in this matter approximates \$18 million. As Receiver, our firm managed the claims process involving 1,600 victims.
- *SEC v. D.W. Heath & Associates, Inc., et al.*
The distribution fund in this matter approximates \$28 million. As Receiver, our firm managed the claims process involving 1,900 victims.
- *CFTC v. White Pine Trust Corporation, et al.*
The distribution fund in this matter approximates \$4.5 million. As Receiver, our firm managed the claims process involving 240 victims.
- *SEC v. MX Factors, LLC, et al.*
The distribution fund in this matter approximates \$4 million. As Receiver, our firm managed the claims process involving 630 victims.

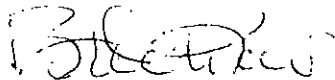
- *United States of America v. Larry Wilcoxson, et al.*
The distribution fund in this matter approximates \$7.2 million. As Receiver, our firm managed the claims process involving 720 victims.
- *SEC v. TLC Investments & Trade Co., et al.*
The distribution fund in this matter approximates \$70 million. As Receiver, our firm managed the claims process involving 2,600 victims.
- *United States of America v. Allen Petty, Jr. aka Al Petty*
The distribution fund in this matter approximates \$2 million. As Receiver, our firm managed the claims process involving 2,000 victims.
- *United States of America v. John Wheeler*
The distribution fund in this matter approximates \$5 million. As Receiver, our firm managed the claims process involving 800 victims.

If our firm were appointed Special Master in this matter, our in-house CPAs who managed the claim process in the above cases would be assigned to this matter.

Our discounted fees for the Special Master and for our CPAs will not exceed \$325/hour. We will need to engage an attorney to file reports with the District Court. The discounted fee for the attorney will not exceed \$375/hour.

If you need any additional information or documentation, we will be pleased to furnish it.

Very truly yours,



Brick Kane
Chief Operating Officer

ROBB EVANS & ASSOCIATES LLC

Fiduciaries, Asset Managers & Consultants

Los Angeles, CA • Las Vegas, NV • Greenwich, CT

Organization Resume

History

In 1991, the California Superintendent of Banks asked Mr. Evans to contract for the management of the liquidation of the California operations of Bank of Credit and Commerce International (BCCI). Mr. Evans assembled a team of professionals, many of whom he had been associated with in past endeavors, to manage the windup of this major component of the largest bank failure and fraud in history.

The California BCCI liquidation led to appointment to act as Trustee for the extensive asset interests of the United States in this matter. Over the years, the team of specialists expanded its practice to include a number of other consulting, trustee and receivership engagements. Through the multiplicity of assets managed and liquidated, significant expertise has been accumulated, not only in matters involving complex financial institutions, but also in a variety of business enterprises ranging from land developments and hotels to medical facilities.

Current Engagements and Staffing

Current regulatory engagements include fiduciary undertakings on the nomination of the Department of Justice, the Securities and Exchange Commission, the State of California Department of Financial Institutions, the Federal Trade Commission and the Commodity Futures Trading Commission. Current private engagements include nominations from lenders and creditors to resolve and maximize the collection of delinquent obligations. Extensive domestic and international asset tracing has been a substantial component of these and other assignments. The organization has managed and sold operating businesses and active real estate projects. Complex distribution issues have been managed in cases involving payments to hundreds of thousands of victims.

Associates based in Los Angeles, New York and Las Vegas manage complex matters on a national and international basis.

Over the last several years, the firm has supervised over 300 items of litigation, engaging law firms in several states, and internationally, for that endeavor. A core staff of twelve professionals manages portfolios in excess of \$1 Billion and claims of nearly 1,500,000 claimants. All current major engagements involve close working relationships and coordination with a variety of law enforcement and government agencies.

The organization is allied with major accounting, legal and consulting firms. A number of independent consultants, retired financial executives and professionals participate on a temporary basis to assist in asset seizure, due diligence and crisis management situations. Accounting, communications, reporting and operating procedures necessary to closely manage complex businesses and portfolios to a high standard are well established on an "in-house" basis. The style is one of intense "hands on" management with emphasis on prompt resolution and cost effective administration.

Capacity

The organization is in a position to accept a number of new engagements each year. It would look with interest on major liquidations, receiverships or trusteeships that involve the management or resolution of complex situations. Projects will be considered in any location. Substantial bonding capacity is available. Additional information on the organization may be located at www.robbevans.com.

The Team

The management team works in a closely coordinated manner, each backing up and overlapping the others to provide the optimum balance of skill, experience and economy. While each executive's management focus is mentioned, all normally deal with multiple aspects of the cases. Typically, in cases with extraordinary staffing needs, in terms of expertise, head count or location, we utilize an extensive network of professionals, mostly bankers and attorneys, with whom we have had considerable experience to supplement our permanent team.

Robb Evans

Chief Executive Officer

Mr. Evans has a 44-year career as a banker and fiduciary. He has been chief executive officer of six banks. He formerly was Trustee managing United States interests in the BCCI matter and is currently Trustee on behalf of the BCCI foreign liquidators, Federal Receiver or Trustee appointed by the United States District Courts for the District of Columbia, Central District of California, Eastern District of California, Northern District of Oklahoma, Southern District of New York, District of Nevada, District of Arizona, Eastern District of Texas, Western District of Texas, and a State Court Receiver in a variety of matters. He has served as a California Special Deputy Commissioner of Financial Institutions and is Past President of the California Bankers Association.

Linda J. Candler

Counsel

Ms. Candler is a barrister and attorney-at-law admitted to practice in England and Wales, Washington, D.C. and California. A former Assistant United States Attorney, previously assigned to the British Serious Fraud Office, she is an expert in litigation for recovery of the proceeds of criminal enterprises in multiple international jurisdictions. Ms. Candler was responsible for international discovery and coordination of the recovery of assets in the BCCI case on behalf of the United States Department of Justice. She is a member of Furnival Chambers in London and has acted for the Crown Prosecution Service and Her Majesty's Customs and Excise in asset confiscation cases.

Tiffany Chung

Ms. Chung is a Certified Public Accountant who specializes in financial reconstruction. Ms. Chung was an auditor with Deloitte & Touche LLP.

Anita Jen

Chief Financial Officer

Ms. Jen is a Certified Public Accountant and is Chief Financial Officer of the firm and the estates under its management. She specializes in forensic auditing and has served as the Controller of an independent bank and as an auditor for Columbia Pictures, Deloitte & Touche, LLP and Arthur Andersen LLP.

Flora Jen

Ms. Jen is a Certified Public Accountant who specializes in financial reconstruction. She was formerly the controller of a private university. Ms. Jen was also an auditor with Ernst & Young LLP and Deloitte & Touche LLP.

Kenton Johnson

Executive Vice President

Mr. Johnson is a case and asset manager focusing on coordination of an estate's activities and administration of claims against the estates. He specializes in business and real estate asset management and litigation management with the focus of maximizing asset value and minimizing the impact of legal expense on various estates. Mr. Johnson was formerly a bank chief executive officer and senior credit officer.

Brick Kane
Chief Operating Officer

Mr. Kane focuses on the administration and the more complex operating business assets under supervision. He has extensive experience in domestic and offshore asset tracing, systems design, corporate reorganizations, restructuring, and cost reduction strategies. Mr. Kane was formerly a bank chief operating officer and chief financial officer.

S.R. Krishnan
Executive Vice President

Mr. Krishnan has a 42-year career as an international banker. He focuses on the marketing strategies for disposition of assets and is the chief negotiator for sales of major assets. He is primarily responsible for management of the complex and distressed loan portfolios and real property assets, and in that capacity, negotiates workout programs for the maximum benefit of the estates.

Lillian Lee

Ms. Lee is a Certified Public Accountant who specializes in audit and internal controls. She is responsible for on-site preservation of existing assets. She formerly was an auditor with KPMG and Ernst & Young LLP.

Ming S. Lin

Mr. Lin, a Certified Public Accountant, has over 20 years of diversified experience in public and corporate accounting. He directs business valuations and merger & acquisition analysis on a number of consulting engagements. While serving with Deloitte & Touche, Los Angeles/Taipei as a Principal, Mr. Lin headed various projects in cross-border bank acquisition, due-diligence review, and litigation support. He was engaged by a number of international manufacturing companies to investigate management fraud.

M. Val Miller
Secretary & General Counsel

Mr. Miller is a former Associate Chief Counsel of the United States Food and Drug Administration. He served various private sector companies as General Counsel and has managed multiple complex cases on a nationwide basis. Mr. Miller is primarily responsible for controlling litigation costs, negotiating resolutions of disputes short of litigation, and for handling legal transactional matters for the estates.

Jesun Paik
Executive Vice President

Mr. Paik is based in the New York area and is primarily responsible for the firm's east coast operations. He specializes in financing and restructuring mechanisms for operating businesses. Mr. Paik is a career international banker and was most recently Vice Chairman of a major commercial bank. Additionally, he was senior advisor to one of the largest Japanese commercial banks and responsible for U.S. investments of a high profile European investment group. He has extensive experience in working in financial centers throughout the Pacific Rim.

Edward Roop

Mr. Roop has a 25-year career in computer operations, application development, and systems design and is the firm's senior information systems manager. He specializes in e-commerce and Internet related technologies. He is primarily responsible for forensic activities related to Internet and credit card fraud.