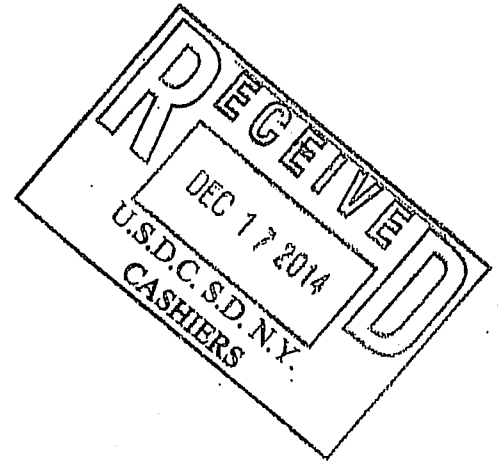


14MISC00417

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK

IN THE MATTER OF THE TAX
LIABILITIES OF:

JOHN DOES, United States taxpayers who,
at any time during the years ended
December 31, 2005, through December 31,
2013, used the services of Sovereign
Management & Legal, Ltd, its predecessors,
subsidiaries, and affiliates
(collectively, SML), to establish, maintain,
operate, or control any foreign financial
account or other asset; any foreign
corporation, company, trust, foundation or
other legal entity; or any foreign or domestic
financial account or other asset in the name
of such foreign entity.



DECLARATION OF RANDY HOOCZKO

I, Randy Hooczko, pursuant to 28 U.S.C. Section 1746, declare and state:

1. I am a duly commissioned Internal Revenue Agent ("Revenue Agent") assigned as Technical Specialist in the Internal Revenue Service's ("Service") Offshore Compliance Initiatives Program. The Offshore Compliance Initiatives Program develops projects, methodologies, and techniques for identifying United States taxpayers who are involved in abusive offshore transactions and financial arrangements for tax avoidance purposes. I have been a Revenue Agent since 1985, and have specialized in offshore investigations since 2002. As a Revenue Agent, I have received training in tax law and audit techniques, and have received specialized training in

abusive offshore tax issues. I also have experience in investigating offshore tax matters.

2. Since February 2011, I have been assigned to work on the Service's Offshore Private Banking Initiative and Offshore Merchant Account Initiative. The Offshore Private Banking Initiative addresses the use of offshore bank accounts by U.S. taxpayers to evade or improperly avoid the payment of U.S. income tax. The Offshore Merchant Account Initiative addresses the use of offshore merchant accounts by U.S. taxpayers to evade or improperly avoid the payment of U.S. income tax.

3. The Service has long been concerned with the problem of United States taxpayers – whether involved in lawful or unlawful activities – evading their United States tax obligations by concealing unreported taxable income in accounts in offshore tax havens or financial secrecy jurisdictions. That problem has been described in detail in a number of reports, including "Crime and Secrecy: The Use of Offshore Banks and Companies," S. Rep. No. 99-130. (1985); United Nations' Office for Drug Control and Crime Prevention, Global Programme Against Money Laundering, "Financial Havens, Banking Secrecy and Money Laundering" (May 29, 1998) (<http://www.imolin.org/imolin/finhaeng.html>); and "Tax Haven Banks and U.S. Tax Compliance," S. Rep. No. 110-614 (2008) (<http://purl.access.gpo.gov/GPO/LPS109146>).

4. Since 2000, the Service has conducted thousands of examinations in cases developed through John Doe summonses issued as part of its Offshore Compliance Initiatives. Experience in those examinations has shown that:

a. Offshore tax evasion almost always involves a foreign financial account.

b. Offshore tax evasion often involves an offshore entity (e.g., corporation, trust, foundation) or structure of entities. These entities are typically controlled through nominee directors and/or trustees, and are used to conceal the taxpayers' beneficial ownership of offshore, and sometimes domestic, accounts and assets.

c. Taxpayers forming or acquiring offshore entities or structures, or opening offshore bank accounts, often use the services of offshore trust and corporate service providers who advertise that they do the following:

- i. open bank accounts;
- ii. create corporations, trusts, and foundations; and
- iii. serve as nominee directors, officers, and trustees for the beneficial owners.

d. Taxpayers with offshore financial accounts often transfer funds to and/or receive funds from their offshore banks through U.S. correspondent accounts maintained by the offshore banks at U.S. banks.

5. In addition to its examination experience, the Service has received in excess of 45,000 voluntary disclosures from taxpayers with offshore accounts and entities in a series of Offshore Voluntary Disclosure Programs announced as opportunities for taxpayers to self-disclose tax non-compliance involving offshore accounts and arrangements in exchange for limits on their exposure to criminal and civil penalties. Taxpayers making offshore voluntary disclosures have reported the use of undisclosed bank accounts in over 600 banks or branches of banks in jurisdictions around the world. Many of these offshore accounts were held through shell companies

and trusts or employed other practices to conceal beneficial ownership information.

Many used the services of offshore trust and corporate service providers.

6. One device for moving funds offshore is the use of an offshore merchant account. A merchant account is simply a bank account into which a business's credit card receipts are deposited. Merchant accounts are typically located where the taxpayer does business, but it is possible to establish one's merchant account in an offshore bank, so that credit card business receipts are electronically diverted to the offshore bank. Taxpayers who use offshore merchant accounts often open the accounts in the name of an offshore shell company.

7. The use of offshore merchant accounts to divert income and avoid taxes is openly discussed on many Internet websites and in financial planning articles. A Google search of the terms "'offshore' AND 'merchant account'" conducted on September 23, 2014 resulted in 204,000 Internet "hits," many of which discuss offshore merchant accounts as a way to shelter income, protect assets, and avoid paying taxes.

8. Common themes in these websites and articles are the ease in setting up an offshore merchant account and the ability to hide income from taxing authorities by placing credit card receipts in banks located in countries with bank secrecy laws. For example:

- Exhibit 1: *Using an Offshore Merchant Account* by John Schroder, Ascot Advisory Services
http://www.escapeartist.com/efam10/Offshore_Merchant_Account.html

The real benefits to you as a business [owner] are the tax reduction opportunities that become available through the use of a separate offshore-incorporated company to handle your credit card business for you. In addition, you also have a very legitimate and convenient way to get your business profits offshore. The fact of the matter is, if you have

an offshore bank or merchant company process your credit card transactions for you, your money already is "offshore". This being the case, you now have the means to really make the most of your business income and keep more of what you earn.

- Exhibit 2: *Top 5 Reasons Why An Offshore Merchant Account May Be Right For You* by James B. Allen
<http://www.webpronews.com/top-reasons-why-an-offshore-merchant-account-may-be-right-for-you-2004-07>

When talking about "going offshore", asset protection and legal tax reduction are the first things that usually come to mind. Acquiring a merchant account in an a low or no tax jurisdiction outside of your own borders can help you accomplish both of these things legally and securely if arranged properly.

Plenty of countries outside of the U.S.A. have an equivalent level of technology and banking infrastructure. Furthermore though, there are a number of these countries that are also much more tax friendly and privacy friendly than current laws allow for American banks to be.

Selling your products, services or subscriptions via an international merchant account and receiving the payments through an offshore corporation into an offshore bank account can legally cut down on your tax burden and put more money in your pockets.

9. The Service is currently engaged in examinations of cases developed from information received under a John Doe summons for offshore merchant account data authorized by the U.S. District Court for the District of Colorado in In re: John Does, Case No 1:09-cv-00861-REB (petition filed 04/13/2009). Preliminary information from these examinations suggests that owners of U.S. based businesses are using offshore merchant accounts in the names of offshore shell companies to escape taxation on their U.S. business income.

10. One device for repatriating funds accumulated in offshore bank accounts is the use of credit cards issued by offshore banks and paying the balances owed on those cards from the offshore funds. This device was the subject of the Service's

Offshore Credit Card Project under which over 130 John Doe summonses were approved by district courts around the country. As a result of examinations conducted under that project, I know that such cards are used extensively to covertly gain access to untaxed offshore funds.

Offshore Banking and Correspondent Accounts

11. Offshore banking practices have received considerable attention in recent years. The Senate Permanent Subcommittee on Investigations issued a report on private banking (the provision of more sophisticated and comprehensive financial services to high dollar banking relationships), concluding that:

Most private banks offer a number of products and services that shield a client's ownership of funds. They include offshore trusts and shell corporations, special name accounts, and codes used to refer to clients or fund transfers.

All of the private banks interviewed by the Subcommittee staff made routine use of shell corporations for their clients. These shell corporations are often referred to as "private investment corporations" or PICs. They are usually incorporated in [tax haven or financial privacy] jurisdictions . . . which restrict disclosure of a PIC's beneficial owner. Private banks then open accounts in the name of the PIC, allowing the PIC's owner to avoid identification as the account holder.

Private Banking and Money Laundering: A Case Study of Opportunities and

Vulnerabilities: Hearings before the Senate Permanent Subcommittee on

Investigations, S. Hrg. 106-428 at 881-82 (1999) (Minority Staff Report)

(<http://www.hsgac.senate.gov/download/report-private-banking-and-money-laundering-a-case-study-of-opportunities-and-vulnerabilities>).

12. The experience of the Service has shown that not only private banking relationships are susceptible of use to conceal ownership of funds from taxing authorities and others. As described in paragraph 5 above, the offshore disclosures of

undisclosed bank accounts in over 600 banks or branches of banks of all kinds in jurisdictions around the world suggest that offshore account abuses are not limited to private bank accounts.

13. The practice of offshore banks using correspondent accounts for purposes of accessing the United States financial market and its banking customers has similarly received considerable attention.

14. As reported in a 2001 investigative report published by the Minority Staff of the Senate Permanent Subcommittee on Investigations entitled Correspondent

Banking: A Gateway For Money Laundering:

Correspondent banking is the provision of banking services by one bank to another bank. It is a lucrative and important segment of the banking industry. It enables banks to conduct business and provide services for their customers in jurisdictions where the banks have no physical presence. For example, a bank that is licensed in a foreign country and has no office in the United States may want to provide certain services in the United States for its customers in order [to] attract or retain the business of important clients with U.S. business activities. Instead of bearing the costs of licensing, staffing and operating its own offices in the United States, the bank might open a correspondent account with an existing U.S. bank. By establishing such a relationship, the foreign bank, called a respondent, and through it, its customers, can receive many or all of the services offered by the U.S. bank, called the correspondent.

Today, banks establish multiple correspondent relationships throughout the world so they may engage in international financial transactions for themselves and their clients in places where they do not have a physical presence. Many of the largest international banks located in the major financial centers of the world serve as correspondents for thousands of other banks. Due to U.S. prominence in international trade and the high demand for U.S. dollars due to their overall stability, most foreign banks that wish to provide international services to their customers have accounts in the United States capable of transacting business in U.S. dollars. Those that lack a physical presence in the U.S. will do so through correspondent accounts, creating a large market for those services.

Role of U.S. Correspondent Banking in International Money Laundering: Hearings

Before the Senate Permanent Subcommittee on Investigations, S. Hrg. 107-84 at 287

(Feb. 2001) (Report by the Minority Staff on Correspondent Banking: A Gateway For Money Laundering) (http://www.hsgac.senate.gov/download/report_correspondent--banking-a-gateway-for-money-laundering).

15. The Correspondent Banking Report went on to describe the special dangers of "nested" foreign correspondent accounts:

Another practice in U.S. correspondent banking which increases money laundering risks in the field is the practice of foreign banks operating through the U.S. correspondent accounts of other foreign banks. The investigation uncovered numerous instances of foreign banks gaining access to U.S. banks — not by opening a U.S. correspondent account — but by opening an account at another foreign bank which, in turn, has an account at a U.S. bank. In some cases, the U.S. bank was unaware that a foreign bank was "nested" in the correspondent account the U.S. bank had opened for another foreign bank; in other cases, the U.S. bank not only knew but approved of the practice. In a few instances, the U.S. banks were surprised to learn that a single correspondent account was serving as a gateway for multiple foreign banks to gain access to U.S. dollar accounts, U.S. wire transfer systems and other services available in the United States.

Id. at 310.

Sovereign Management & Legal, Ltd.

16. Sovereign Management & Legal, Ltd. ("SML") is a multi-jurisdictional offshore services provider that provides comprehensive entity formation, and legal and management services through its Panama lawyer associations as well as through outlets in other jurisdictions such as Belize and Hong Kong. SML has been in the business of offshore incorporations in the Caribbean island of Nevis since 1996 under the name "Sovereign Management Services, S.A." It established its flagship management and legal services company in Panama in 2002. SML appears to operate under several additional names, including Sovereign Management & Legal Realty; Sovereign Law Center; International Corporate Services, Ltd; Belize Offshore Solutions

Limited; and Atlas Corporate & Trust Limited. Sovereign Management & Legal, Ltd., its predecessors, subsidiaries, and affiliates are hereafter collectively referred to as "SML."

17. SML operates a website at www.offshore-protection.com. I initially accessed SML's website in 2012 and 2013; however SML's website design has since changed. SML's homepage as of September 15, 2014, is attached as Exhibit 3.1. SML's homepage as of January 29, 2013, is attached as Exhibit 3.2. Hereinafter, any SML website or webpage with a 2013 access date is referred to as "2013 website" or "2013 webpage."

18. SML's "About Us" webpage, in a section entitled "About Sovereign Management & Legal," states that the Panama-based SML "later morphed into Belize-based Sovereign Management & Legal S.A. and Hong Kong-based Sovereign Management & Legal Limited." A printout of this webpage is at Exhibit 3.3. The webpage further states that these two companies along with their "affiliated Panama law firm, provide all the legal services you need to effectively manage your offshore assets." Exhibit 3.3. Other areas on the "About Us" webpage indicate "Panamanian legal representation" and refer to clients visiting "our offices in Panama City." Exhibit 3.3. It also provides contact addresses in Panama, Belize, and Hong Kong, and encourages readers to contact SML to set up a meeting at their Panama law offices. Exhibit 3.3. Thus, SML still has a presence in Panama.

19. SML has been of interest to the Service for some time because of its Internet promotions of services directed at concealing its clients' beneficial ownership of offshore assets.

Operation Adam Bomb

20. In May 2011, the Service was approached by agents of the Drug Enforcement Administration (DEA) with information indicating that SML was involved in assisting U.S. clients with tax evasion. DEA advised that they had an on-going investigation of on-line marketplaces for narcotics trafficking known as "Operation Adam Bomb." One focus of that investigation was the services provided by SML to the drug traffickers in moving money through accounts controlled by SML in Panama to pre-paid debit card accounts accessible by the drug traffickers. In the course of its investigation, DEA learned that SML and its U.S. customers were attempting to conceal funds from revenue authorities. At the time DEA brought the information to the Service, DEA's investigation was still covert; however, DEA asked that the Service refrain from any public action until DEA's investigation reached a public stage.

21. In late April 2012, DEA made an arrest of a key defendant in Operation Adam Bomb, and the indictment of that defendant was unsealed in U.S. v. Willems et. al, case no. 2:11-cr-01137-DMG (C.D. Cal) ("Willems"). A copy of the Willems indictment is attached as Exhibit 4.

22. According to the Willems indictment, through approximately 2009, an on-line controlled substances marketplace, which went by the name "Adamflowers," operated primarily via the e-mail address Adamflowers@Hushmail.com. The operators initially used Hushmail for all communications and orders. Hushmail is a web-based service that offers encrypted electronic mail and instant messaging. (The SML "Contact & Order Inquiry" webpage at Exhibit 20 lists a Hushmail address for SML (SMS@hush.com) and encourages readers to set up their own Hushmail email

accounts. SML's 2013 website's homepage at Exhibit 3.2 mentions Hushmail as a secure way of communicating in absolute privacy with SML.) In approximately January 2010, to improve anonymity, the operators moved their on-line controlled substances marketplace to the TOR network. Exhibit 4 pp., 4, ¶¶7. TOR allows websites and electronic mail communications to completely mask IP address information by spreading communications over a series of computers, or relays, located throughout the world. Exhibit 4 pp., 4-5, ¶¶7.

23. According to the indictment, defendant Willems instructed customers wishing to purchase controlled substances from the on-line marketplaces to send payments via Western Union to accounts held by SML in Budapest, Hungary. Exhibit 4 p. 8, ¶¶6, p. 33, ¶¶142, p. 47, ¶¶218. SML would then transfer the funds to a pre-paid debit card account accessible by defendant Willems. *Id.* According to the indictment, DEA documented hundreds of such transactions involving hundreds of thousands of dollars. On September 2, 2014, defendant Willems pleaded guilty to federal drug trafficking and money laundering charges in U.S. District Court in Los Angeles, California and is currently awaiting sentencing.

24. I also learned from DEA that two brothers, Dwayne Alan Skiles and Lance Edward Skiles, were associated with SML. In June 2011, Dwayne Skiles was charged with conspiring to sell counterfeit Viagra through ads on Craigslist in U.S. v. Skiles, case no. 8:11-cr-00500-JFM (U.S. District Court of Maryland (Greenbelt)). According to the Affidavit in Support of Criminal Complaint (the "Skiles affidavit"), payment for sales [of counterfeit Viagra] were sent to Dwayne Skiles through Western Union. In September 2011, Dwayne Skiles pleaded guilty to one count of conspiracy to traffic in counterfeit

goods. On April 19, 2012, both Dwayne and Lance Skiles were gunned down while they were leaving a restaurant in Panama City, Panama. The Skiles affidavit further alleges Dwayne Skiles sometimes worked with an individual named Michael Knott, who is married to Sarah Anne Knott, and identifies Sarah Anne Knott as a co-conspirator. During the course of my research relating to the Skiles affidavit, I found that in January 2011, Sarah Anne Knott was charged with trafficking in counterfeit goods (Viagra tablets) in U.S. v. Knott, case no. 8:11-cr-00220-JFM (U.S. District Court of Maryland (Greenbelt)). In April 2011, Sarah Anne Knott pleaded guilty to trafficking in counterfeit goods.

25. I also learned from DEA that David Johnston (a.k.a. Duncan Russell Johnston), Christine Johnston (a.k.a. Lia Johnston and wife of David Johnston), and Michael Knott had associations with SML.

SML Websites

26. According to SML's website www.offshore-protection.com, SML offers formation and administration of anonymous corporations and foundations in Panama, International Business Companies ("IBCs"),¹ third party account signatory services, captive insurance companies, merchant debit card account services, and prepaid debit cards (called a "Sovereign Gold Card" and operated through a separate website). SML also offers services related to anonymous banking, offshore bank accounts, and offshore trusts and foundations, as well as a variety of services to assist clients in the maintenance and operation of their offshore structures, including mail forwarding, virtual

¹ An International Business Company or International Business Corporation is a special class of corporation in many offshore jurisdictions that is not permitted to conduct business in the country where it is chartered.

office, and re-invoicing services. SML's 2013 homepage states, in bold, that SML's clients have "the added advantage of attorney-client privilege as an additional and most important layer of protection." Exhibit 3.2. SML's current "About Us" webpage, in a section entitled "Sovereign Specialization," which is attached at Exhibit 5, states that clients are protected by "Panama's strict business and banking privacy laws" and by "attorney-client privilege since all [the client's] personal information will be closely guarded by our law firm." These services are all directed at concealing the clients' actual beneficial ownership of their assets.

27. Among the devices for concealing clients' ownership while maintaining complete control of their assets are nominee officers and bearer shares. On a webpage entitled "Offshore Professional Management," SML states:

Appointing a professional management firm that will manage your non-controlled corporation provides you with the maximum protection on all fronts.

To ensure the safety and security of the corporate assets, so that you don't have to have any exposure as a director of the IBC, the professional managers appoint themselves as directors of the corporation.

This may be important, because even if you are clearly not a shareholder, the mere fact of being an officer may offer the appearance that you, in reality, still control the assets and thereby still retain a beneficial interest in them.

A court could easily still compel you to repatriate the assets since you still control them. The onus would be on you to then prove to the court why you are not able to comply - not a pleasant prospect to consider.

Our firm can provide such management options and give you the piece [sic] of mind that you still have the ultimate authority in regards to your assets.

The most common way of doing this, is for the corporate nominee directors to provide you with a Power of Attorney in all matters related to the running of the corporation.

This will allow you to act in the place of an officer of the company without actually being one. You can sign agreements or open accounts on behalf of the company or anything else that is required for the day-to-day business of the company.

Exhibit 6.

28. SML further states on its 2013 webpage entitled "Panama's Secrecy laws" that one advantage of a Panama corporation is "[t]he absolute confidentiality of banking transactions under numbered accounts belonging to corporations with nominee directors and bearer shares in the hands of the owner." Exhibit 7.

29. SML's current homepage lists their most popular offshore company formation options and offshore company-bank account packages, including pricing. Exhibit 3.1. SML's 2013 webpage entitled "Panama Offshore Services Offerings and Fee Schedule" ("Fee Schedule") describes the services and products that SML provides and the cost for those services and products. A print out of SML's "Fee Schedule" webpage is at Exhibit 8. According to the 2013 "Fee Schedule" webpage, SML offers in excess of 30 offshore structure formation and other packages that include: basic and enhanced company, corporation, and foundation formations; anonymous bearer share corporations and foundations; ready-made ("shelf") companies and foundations; "bullet proof" Panama and multi-jurisdictional corporation and IBC packages combined with a foundation; "bullet proof" Panama e-commerce package with an e-commerce merchant account; anonymous banking; and anonymous bearer stored value debit cards. In my experience, many of these packages are designed to disguise the true beneficial owner. Also, many of the packages include Federal Express courier services for a \$75.00 fee and contain a link to SML's Sovereign Gold Card prepaid offshore debit cards website.

30. Of the more than 30 offshore structures and other packages that SML provides (as referenced above), SML offers 8 types of anonymous formation packages that can be tailored to corporations, foundations, and banking. Exhibit 8. Three of the packages are described below.

a. "Anonymous Panama Bearer Share Corporation or Foundation Package": SML offers: "[a] very comprehensive package that includes three nominee directors for anonymity, undated notarized resignation letters, power of attorney with apostille, Spanish certificate of incorporation and articles with English translations, all with apostilles, bearer or nominated share certificate(s) (your choice)...." The description further states that the package includes a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank or a USD Mastercard from a Belize bank. Based on my experience, the use of bearer shares and nominee officers or directors are devices to conceal beneficial ownership.

b. "Panama Ready-To-Use Today Bank Account Package held by Recently Formed Anonymous Bearer Share Corporation or Foundation Package": This package provides a "shelf Panama company or foundation with an opened but as yet unused Panama bank account ready to receive a deposit today! Bank account has our lawyer as signatory. This can be changed to one's own or left as is. If the latter our normal managed account signatory fees would apply for all transactions and an additional \$1000 annual management fee would be applicable starting in year two. In order to change the signatory on the account the normal Panama bank account opening requirements would apply." Based on my experience, SML is charging \$1,000 to

enable the client to skip the anti-money laundering account opening requirement that the client would have to identify himself to the bank as the beneficial owner.

c. "Panama Ready-Made ("shelf") companies and foundations": With respect to this package, SML states: "We have on hand a variety of companies and foundations ready for immediate delivery. Price will depend on age but starts at only \$250 above regular price for most recently formed. Some are available with bank accounts ready to be used. All have never done any business. Also available in certain other select jurisdictions." Based on my experience, the use of "shelf" or previously formed corporations is a common practice designed to create the false impression that the offshore entity was in business prior to the beneficial owner's involvement.

31. Of the more than 30 offshore structures and other packages that SML provides, SML offers 5 types of "bullet proof" formation packages. Exhibit 8. All of these "bullet proof" packages involve various combinations of bank accounts owned by entities, which are in turn owned by other entities, all in different jurisdictions and all controlled by nominees on behalf of the true beneficial owner. The point of such an arrangement is described on SML's 2013 "Asset Protection" webpage in a section entitled "Breaking the Paper Trail":

For protection of liquid assets it is vital to only use countries with strict financial privacy and to employ a means of breaking the paper trail that follows in the wake of a transfer out of your own country. The most effective way in dealing with this is using our multi-jurisdictional approach where one or more structures are set up with a bank account in a different country. Transfers out of your country first go to a different company bank account and country where they reside for a few months to keep that bank happy. Little by little then, some or most of the funds can be then forwarded on to another company in a different country or they could go to a separate brokerage account held in another country such as Panama that has strict financial privacy. The banking secrecy in the first

jurisdiction will prevent investigators discovering the ultimate destination of the funds in the second jurisdiction.

We have created a special package known as the multi-jurisdictional company/banking package that utilizes two different companies, one set up in Panama, the other in Belize, each with their own bank account in those respective countries. Both companies are owned by the Panama foundation which also can be a very useful vehicle for the repatriation of funds by the way of gifts to your children for instance as well as to manage and plan your global estate.

Exhibit 9.

32. SML's "Offshore Account Signatory Services" webpage states that SML can:

Help you avoid foreign account reporting requirements that many countries now have (such as the USA and Germany). Because of the privacy surrounding the account, it is unlikely, unless you are careless, that such information will ever reach the authorities.

Prevent severe penalties from many government tax authorities for not reporting your signature authority on any foreign bank account.

Provide you with the needed extra element of removal from your assets, so that your official legal capacity is one of a "behind the scenes advisor" only. You neither own nor "control" the assets in any function. Also, you are not named as a beneficiary in any way.

Exhibit 10. My experience in offshore issues indicates that the beneficial owner, while claiming to be "removed" from the foreign assets or entities, in fact retains control over such assets or entities through other means such as a side agreement with the service provider.

33. SML's "Panama Private Interest Foundation" webpage offers new and ready-made foundation packages either with or without bank accounts. A copy of SML's "Panama Private Interest Foundation" webpage is attached as Exhibit 11. The webpage touts foundations as a way to avoid tax reporting with respect to controlled

foreign corporations ("CFCs"). According to SML:

In general, you may want to consider a PPIF [Panama Private Interest Foundation] if you wish to control and maintain ownership of foreign corporations, however, you do not wish to own your corporations directly, due to the Controlled Foreign Corporation (CFC) rules in your home country.

Several highly taxed countries (such as the . . . USA . . .) have strict CFC rules. These rules require that their citizens submit declarations (reports) to the appropriate tax authorities, wherein they declare that they are the shareholders of such foreign corporations.

Exhibit 11. Based on my experience, holding stock through a nominee is ineffective to avoid the CFC reporting rules. Nevertheless, SML claims:

Instead of holding the corporations' shares in their personal name or in bearer form, they establish a Private Interest Foundation in Panama that holds or owns the shares of their foreign corporation(s), thus avoiding the CFC reporting rules. Hence, the advantage of using the Foundation as a shareholder for their corporation is to remove ownership from one's personal name (or through a Bearer Share arrangement).

This ownership is transferred to the name of a foreign entity, which does not have owners, rather has privately appointed beneficiaries, which are anonymous. In this way, there is no question as to who owns the company, since the company's shares are issued to the Foundations' name.

Exhibit 11.

34. SML's "Mail Receiving and Forwarding" webpage describes that SML will hold or forward mail based on the client's instruction, and the fee (listed in U.S. dollars) is \$50 for courier service or \$10 for postal service depending on where the mail is being sent. A copy of SML's "Mail Receiving and Forwarding" webpage is attached as Exhibit

12. SML advertises:

In order to complement the proper establishment of their corporate offshore identity, our clients usually like to establish an efficient mail forwarding service with both a physical address for the receipt of packages sent by courier services such as DHL and Fedex, as well as a Post Office Box for receipt of mail. For the latter we offer options in both Miami as well as Panama City.

Exhibit 12.

35. SML's webpage entitled "Banking & Investing" discusses means of maintaining secrecy of one's offshore bank accounts. A copy of SML's "Banking & Investing" webpage is attached as Exhibit 13. SML warns that moving funds in and out of an offshore account in one's personal name creates records that associate your name with the account and "broadcast to the world" that you are the owner of the account. According to SML:

[I]t is imperative that the account be opened in the name of a company, foundation or possibly a trust rather than your personal name. Yes, as signatory on the account you will be still known to your bank, but your account will be anonymous to the world, so long as you bank in a country that still does not routinely share information with foreign governments and private investigators.

Exhibit 13.

36. According to its "Banking & Investing" webpage (Exhibit 13), SML states: "This is all about keeping an "arms length" from assets while still giving you the ability to make decisions on their deployment."

37. SML's "Offshore E-Commerce Solutions" webpage is attached as Exhibit 14. It offers the use of an offshore merchant account in the name of a "non-controlled IBC" to operate a business "at arms length from your own home (high tax) jurisdiction" for "tax optimization purposes." The webpage explains that by using the offshore merchant account, "the proceeds of all sales should bypass your own country's banking system." The webpage offers the following suggestions as to how the untaxed offshore funds can be repatriated:

That leaves just one thing...

What about the money you make and how do you get it back onshore without tax liability?

The clandestine way, of course, is to use a non-associated offshore card to draw funds from an ATM, but this is neither a long-term solution nor one we would recommend, especially if you need to show some income to justify your lifestyle.

The easiest solution is to treat this e-commerce business as a secondary income stream and build up an offshore nest egg. However, if this were indeed your primary income, then you would need to repatriate funds at some stage. This "drawn" income would be taxable in your home country (and you'd need to have proper paperwork to justify this income) - leaving undistributed profits to accumulate offshore.

Exhibit 14.

38. SML provides offshore prepaid debit card services, also known as stored value cards, through Sovereign Gold Card ("SML's Sovereign Gold Card"). SML's Sovereign Gold Card maintains a website at <http://www.sovereigngoldcard.com>. A printout of SML's Sovereign Gold Card homepage is at Exhibit 15. On SML's Sovereign Gold Card homepage, the following statement appears: "Sovereign Gold Card is a service of Sovereign Management & Legal, a multi-jurisdictional offshore services provider" and has been offering prepaid debit card services since 2005.

Exhibit 15. On another webpage linked to the Sovereign Gold Card homepage, SML describes the advantages of the Sovereign Gold Card, including that such cards are no name/anonymous, accepted worldwide, and private and confidential. Exhibit 16. The Sovereign Gold Card website has a link to SML's website at www.offshore-protection.com on every webpage. The Sovereign Gold Card "About Us" webpage states that SML offers Belize-issued and St. Vincent-issued MasterCard and Cyprus-issued Visa Electron debit cards as one of the many offshore services SML provides.

Exhibit 17. On the "Loading of Prepaid Cards" webpage (Exhibit 18), SML explains that

customers can load cards by wire, by Western Union transfer, or by a check drawn on a U.S. bank, made payable to SML, and sent by FedEx, DHL, or UPS to an address in Miami, and provides a U.S. telephone and fax number.² Exhibit 18. SML clients can also load a prepaid card by sending the U.S. check via postal mail to a U.S. post office box in Miami. Exhibit 18. SML informs cardholders that they can make a transfer from any Western Union office in the world by taking cash to the office, or by submitting a wire online. Exhibit 18.

39. While SML offers its services to clients worldwide, its website targets U.S. taxpayers. SML's website is presented in English, and its "Contact & Order Inquiry" webpage includes a U.S. telephone number and a U.S. fax number (no other fax numbers are provided despite telephone numbers in other countries). A print out of SML's "Contact & Order Inquiry" webpage is at Exhibit 20. On its "Mail Receiving and Forwarding" webpage, mail forwarding services are offered in Miami in addition to Panama City. Exhibit 12.

40. Similarly, SML's Sovereign Gold Card website also targets U.S. taxpayers. The Sovereign Gold Card website and webpages are also presented in English and list a U.S. telephone number, a U.S. fax number, and U.S. addresses for courier and postal delivery. Exhibits 15-19.2. Additionally, Sovereign Gold Card's current version of their "Contact Us" link only lists a Skype handle (Exhibit 19.1); however, its previous "Contact Us" link on its 2013 "Prepaid Debit Card" webpage provided a U.S. telephone and U.S. fax number in addition to a Skype handle (Exhibit 19.2).

² The telephone number listed is the same number on SML's "Contact & Order Inquiry" webpage at Exhibit 20, but a different U.S. fax number is listed.

41. SML's websites www.offshore-protection.com and www.sovereigngoldcard.com contain numerous references to the use of courier services FedEx, DHL and UPS to ship documents and payments between SML and its customers. Exhibits 8 and 18; see also Exhibit 21 (SML's 2013 "General Ordering Procedures" webpage) and Exhibit 22 (SML's Sovereign Gold Card "Fees and Limits" webpage). These webpages also contain instructions on the use of Western Union to transfer funds and offer instructions on how to make wire transfers upon request. Exhibit 18.

Internal Revenue Service Investigations

42. I have reviewed the Service's databases that captured information from the 2009 Offshore Voluntary Disclosure Program ("2009 OVDP"), 2011 Offshore Voluntary Disclosure Initiative ("2011 OVDI") and 2012 Offshore Voluntary Disclosure Program ("2012 OVDP"). In connection with the 2009 OVDP, there were at least 51 voluntary disclosure submissions in which 64 taxpayers disclosed a total of 141 Panamanian accounts held at 35 Panamanian financial institutions. The number of taxpayers that disclosed accounts is greater than the actual number of submissions because one voluntary disclosure submission could include multiple taxpayer names. In connection with the 2011 OVDI and 2012 OVDP, there were at least 26 voluntary disclosure submissions of which 33 taxpayers disclosed 98 Panamanian accounts held at 19 Panamanian financial institutions.

43. A search of the Service's voluntary disclosure program databases for SML and any entities related to SML yielded one taxpayer who acknowledged using SML's services to set up an undeclared scheme of accounts and structures. Taxpayer-1 is a

United States taxpayer who, during 2006 through 2011, formed 7 offshore entities of which 3 were established in Panama. Of the 7 offshore entities, 5 were formed as recently as 2011, and SML formed 2 of the entities in Panama. During this period, Taxpayer-1 had established 21 offshore accounts of which 11 accounts were established in Panama. Taxpayer-1 was the beneficial owner of, and sole signatory over, all of the offshore accounts disclosed in the voluntary disclosure. Taxpayer-1 failed to properly report offshore income and the existence of all of these offshore accounts and entities.

44. Taxpayer-1 stated during an interview that while searching the term "forming offshore companies" on the Internet, he came across SML's website which he found to be "very convincing." Taxpayer-1 contacted SML in 2006 using the telephone number and offshore-protection.com email address on SML's website, and subsequently met with a representative of SML in person in Panama to discuss offshore arrangements. SML established an anonymous (bearer share) Panama corporation ("Entity-1") for Taxpayer-1 within days after their meeting. Taxpayer-1 provided a copy of his U.S. passport to SML. Taxpayer-1 also went to HSBC Bank (Panama), S.A. ("HSBC Panama") to open an account in Entity-1's name. Taxpayer-1 chose HSBC because this was the bank that SML worked with. Taxpayer-1 believes the HSBC Panama account statements were delivered to SML, which was the mailing address for Entity-1. Taxpayer-1 believes he used the HSBC Panama account to pay renewal and other fees due to SML, and may have wired the funds from the HSBC Panama account. SML used FedEx to send Taxpayer-1 formation documents, including a Sovereign Gold Card offshore prepaid debit card with Entity-1's name on the

card. Taxpayer-1's name was left off the card in order to maintain privacy and anonymity. Taxpayer-1 also received another prepaid card from SML via FedEx or DHL.

45. In 2011, SML established a second Panamanian corporation ("Entity-2") for Taxpayer-1 for the purpose of owning a Columbian company ("Entity-3"), thus adding an extra layer of protection. Taxpayer-1 received a Sovereign Gold Card offshore prepaid debit card in connection with Entity-2. The debit card was issued through Heritage International Bank & Trust in Belize, which was recommended by SML. Taxpayer-1 recalled receiving a wire instruction from support@SovereignGoldCard.com on how to load Entity-2's prepaid debit card. SML directed Taxpayer-1 to wire funds to SML using multiple parties via a company in London and Barclays Bank with SML as the final beneficiary.

46. Taxpayer-1's principal contact at SML was David Johnston, but he also had contacts with other SML employees or associates, including Yadira, Michelle, and Ilka, who he identified by first name only. A Google search of the words "yadira AND sovereign management legal panama" produced a link to a website where "Yadira Eversley" was listed "In Care Of: Sovereign Management & Legal Sa".³ A search on Yatedo.com of "michelle AND "sovereign management"" produced a link to a "Public Profile" website where Michelle Eversley was listed as an "Asistente Administrativa at Sovereign Managment" in Panama.⁴ A Yahoo search of "michelle AND sovereign management legal panama" produced a link to a message board where "Michelle" at

³ <http://www.manta.com/ic/mxx438x/pa/financial-partners-wealth-management-inc>

⁴ <http://www.yatedo.com/search/profil?q=michelle+AND+%22sovereign+management%22>

SML is referenced as not being in the office, but does not list her last name.⁵ This webpage also mentions another associate of SML, Aknia Chi.

47. A Yahoo search of "aknia chi" produced a link to website that lists her as Corporate Counsel of Sovereign Management & Legal, S.A. at Pacific Sky/Sun Towers Lobby Level, Suite No. 1, Punta Paitilla, Ramon Hurtado Avenue, Panama, Panama.⁶ A Yahoo search of the words "sovereign management panama" produced a link to a website which identifies SML as a law firm in Panama, Panama and lists Aknia Chi as Corporate Counsel and Armondo Barsallo as Partner at the firm.⁷ A Google search of the words "sovereign management and legal" produced a link to an article where Aknia Chi Pardo is identified as a Panamanian lawyer with Sovereign Legal and Management SA, an offshore company registration business.⁸ According to the webpage, "Aknia Chi P." is a Resident Agent for SML and is known as Aknia Chi Pardo and Aknia Mayn Chi Pardo. A Yahoo search of the name "Aknia Chi Pardo" produced a link to a website⁹ indicating Aknia Chi Pardo is a subscriber and agent for ITT Group, Inc. A click of her name under "Subscribers" and "Agent" produced a link to another website¹⁰ indicating Aknia Chi Pardo is a director of 147 companies, including Sovereign Realty Corp, a subscriber for more than 700 companies, and an agent for almost 900 companies. Further, on this webpage, the Sovereign Realty Corp link takes viewers to another webpage where the following individuals are listed: Jorge Luis Barroso, Aknia Chi

⁵ <http://www.talkgold.com/forum/showthread.php?t=211836&page=4>

⁶ <http://www.martindale.com/Aknia-Chi/3718917-lawyer.htm>

⁷ <http://www.lawyers.com/panama/panama/Sovereign-Management-and-Legal-S-A-5124574-f/>

⁸ <http://www.nakedcapitalism.com/2012/07/new-zealand-companies-office-turns-a-blind-eye-to-registration-abuses.html>

⁹ <http://ohuiginn.net/panama/company/id/578025>

¹⁰ <http://ohuiginn.net/panama/person/AKNIA%20CHI%20PARDO>

Pardo, and Daniel Isaac Chi P. as Directors of Sovereign Realty Corp; Aknia Chi Pardo and Marga Quintanar de Calderon as Subscribers; and Aknia Chi Pardo as Agent.¹¹

48. A Yahoo search of the name "jorge barroso AND sovereign management" produced a link to an article identifying that Jorge Barroso is a real estate agent working for SMS Sovereign Mgt Services.¹² The article states Jorge Barroso has been SML's real estate broker since 2006 and that Sovereign's lawyer was Aknia Chi Pardo. The article mentions Daniel Isaac Chi's name was on corporation papers. Embedded in the article is an email from SML dated April 17, 2008 discussing who Jorge Barroso should work for – Barroso Realty or Sovereign Realty. Sovereign Realty appears to be SML's real estate business operation. Another email from SML dated May 22, 2008 lists the address of The Century Tower, 20th Floor, Suite 2007, Avenida Ricardo J. Alfaro, Panama City, Panama.

49. A Yahoo search of the words "sovereign management services" produced a link to a website that lists Tesi De Tapia and an address for SML of The Century Tower, 20th Floor, Suite 2007, Avenida Ricardo J. Alfaro, Panama City, Republic of Panama.¹³

50. Through research of public records, I learned that, on December 8, 2009, the U.S. Securities and Exchange Commission filed a complaint against Rockford Funding Group, LLC for a temporary restraining order to freeze its assets in order to prevent it from perpetuating a Ponzi scheme. The case was filed in the Southern District of New York at case no. 1:09-cv-10047-PGG. Among the relief defendants

¹¹ <http://ohuiginn.net/panama/company/id544671>

¹² www.thepanamanews.com/pn/v_19/issue_01/Brian_Heath_real_estate_complaint.pdf

¹³ <http://www.netcheck.com/sovereignmgmt.shtml>

were Infinita Plus Trading, Ltd. ("Infinita"), Star Trading, Inc. ("Star Trading"), and Sunrise Import & Export Inc. ("Sunrise"). These three relief defendants received wire transfers from Rockford Funding Group, including \$30,000 to Infinita, \$3,328,077 to Star Trading's The Hongkong and Shanghai Banking Corporation Limited Hong Kong ("HSBC Hong Kong") account, and \$2,031,721 to Sunrise's HSBC Hong Kong account. In the complaint, Infinita's address is listed as 1 Mapp Street, Belize City, Belize, which is the same as SML's address listed on SML's "Contact & Order Inquiry" webpage. Exhibit 20. Star Trading's address is listed as Room 606, Fook Cheong Building, 63 Hoi Yuen Road, Kwun Tong, Hong Kong, which is the same as SML's address listed on SML's "Contact & Order Inquiry" webpage. Exhibit 20. This suggests these entities were created by SML for their beneficial owners, and that SML was operating those entities for the clients from its Belize and Hong Kong addresses.

The Internal Revenue Service Investigation and the John Doe Summonses

51. The Service is now investigating United States taxpayers who used the services of SML to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity. To facilitate this investigation, the Service is seeking the Court's permission to serve, pursuant to Section 7602 of the Internal Revenue Code (26 U.S.C. § 7602), a "John Doe" summons to eight entities: Federal Express Corporation ("FedEx Express") and FedEx Ground Package System, Inc. ("FedEx Ground") (collectively, "FedEx")¹⁴;

¹⁴ In a Form 10-Q filing with the Securities and Exchange Commission for the quarterly period ended August 31, 2014, Federal Express Corporation is referred to as "FedEx Express" and FedEx Corporation,

DHL Express ("DHL"); United Parcel Service, Inc. ("UPS"); Western Union Financial Services, Inc. ("Western Union"); Federal Reserve Bank of New York ("Federal Reserve"); The Clearing House Payments Company LLC ("Clearing House"); and HSBC Bank USA, National Association ("HSBC USA"). Copies of these summonses are attached as Exhibits A, B, C, D, E, F, G and H, respectively.

FedEx Express, FedEx Ground, DHL Express, and United Parcel Service, Inc.

52. FedEx Express is an American global courier delivery services company headquartered in Memphis, Tennessee. It operates in more than 220 countries and delivers to every address within the U.S. FedEx Express maintains records of items shipped via "express" service. FedEx Ground is a North American provider of small-package ground delivery services and is headquartered in Moon Township, Pennsylvania. FedEx Ground maintains records of items shipped via "ground" service.

53. DHL is a division of the German logistics company, Deutsche Post DHL, providing international express mail services to over 220 countries and territories across the globe. DHL is headquartered in Plantation, FL. DHL maintains records of items shipped via ground and air "express" service.

54. UPS is an American global package delivery company headquartered in Atlanta, Georgia. According to its website, UPS delivers 16.9 million packages and documents a day to 7.9 million customers in more than 220 countries and territories around the world. UPS's primary business is the time-definite delivery of packages and

the parent, is referred to as "FedEx." FedEx Ground Package System, Inc. is referred to as "FedEx Ground."

documents worldwide. UPS maintains records of items shipped via ground and air "express" service.

55. When a FedEx, DHL or UPS shipment is created, a tracking number is assigned. The tracking number allows customers to track the shipment's progress. Shipments within the U.S. and to international destinations are entered on a shipping document form which captures the sender's/shipper's and receiver's/recipient's name, address, country name (for international shipments), phone number and FedEx, DHL or UPS account number, if one exists.

56. According to SML's 2013 website, SML uses FedEx to ship formation package documents to clients. It is unclear if such packages are sent via FedEx's ground or express delivery service, or both. Although FedEx was the courier of choice for outgoing shipments from SML per its 2013 website, SML apparently would receive shipments via FedEx, DHL, or UPS. Also, Taxpayer-1 stated that he received documents (a prepaid debit card) from SML via FedEx or DHL. On the "General Ordering Procedures" webpage (Exhibit 21), SML instructs clients to let SML know what services they are interested in, and once SML has confirmed payment for those services, SML will start the formation process and send by email any account opening forms or other documents for the client's completion and signature. SML advises the client to send the completed documents to the appropriate office address that they will be instructed to use for this purpose; and to "Please Only Use Private Courier Service" for this process. After the formation process is completed, SML will notify the client via email and ask them to re-confirm their shipping address and preferred courier delivery

method. Following the courier instruction on the website are the logos for FedEx, UPS, DHL, and TNT courier services. Exhibit 21.

57. At various places on its 2013 "Fee Schedule" webpage, SML instructs clients to: "Add \$75 for worldwide FedEx courier shipment;" "Add \$75 for FedEx worldwide delivery;" "Add \$75 for FedEx worldwide delivery of the company or foundation documents;" or "Add \$75 for worldwide FedEx courier shipping." Exhibit 8. FedEx courier service is mentioned 16 times in SML's 2013 "Fee Schedule" webpage. Id. DHL is mentioned at least 20 times in the "package details" information on the 2013 "Fee Schedule" webpage. Exhibit 8. FedEx, DHL and UPS are also listed as recommended couriers on SML's Sovereign Gold Card "Loading of Prepaid Cards" webpage. Exhibit 18. Further, FedEx is listed as a courier service for offshore corporate bank account formations on SML's Sovereign Gold Card webpage entitled "Offshore Bank Accounts." A copy of SML's Sovereign Gold Card "Offshore Bank Accounts" webpage is attached as Exhibit 23.

58. By conducting a search of SML accounts, FedEx, DHL, and UPS can retrieve data regarding shipping services associated with these accounts. FedEx, DHL, and UPS also have the ability to search their records based on sender or recipient address. FedEx, DHL, and UPS should be able to identify instances in which their courier services were used to ship documents from SML and to SML where the address of the receiver or shipper, respectively, was in the United States.

Western Union

59. Western Union is a financial services and communications company headquartered in Englewood, Colorado. Western Union's website,

www.westernunion.com, describes ways users can send and receive funds to and from others, pay bills, or purchase gift cards. Customers can send money in person, online and by phone. Customers can pay bills in person, online, by phone and using money orders. Customers can receive money in person, in a bank account, or receive money transfers directly onto a Western Union reloadable prepaid card.

60. In order to send funds in person, the sender would go to a Western Union office and present funds (plus fees) for a particular service such as "Next Day" or "Money in Minutes" service. The sender provides his or her name and address, the recipient's name, and a designated payment destination. Western Union then provides the sender a 10-digit Money Transfer Control Number ("MTCN") that the sender must provide to the recipient. The recipient then proceeds to a Western Union agent office in the designated payment location, presents the 10-digit MTCN, and photo identification ("ID"). Money is then paid out to the recipient. In some locations, if a recipient lacks identification documents, the sender and receiver can set up a pre-arranged password. Funds are paid out in cash, although if a payment exceeds the local limit or cash on hand, a check is issued. Alternatively, a sender may forward funds to a recipient by using Western Union's website or by phone.

61. In order to send funds online, the sender logs into his or her profile, chooses the type of service for sending of money, and enters the receiver's name and address (or mobile number if sending to a mobile phone). If the sender chooses, for example, the "Money in Minutes" service or sends the money to the receiver's mobile phone, the sender pays for the funds with his or her credit or debit card. Western Union will send an email confirmation to the sender with the tracking number (MTCN) to

share with the receiver for pickup. If the money is sent to the receiver's mobile phone, the sender and receiver will get a confirmation alert via Short Message Service ("SMS") notification (a text message) when the money is delivered.

62. Western Union's website states that you can use a Reloadable NetSpend Prepaid MasterCard to send or receive a Western Union money transfer. Customers that have an online account with Western Union can load their money transfer directly onto their card. Customers that receive money transfers can receive transfers directly onto their prepaid card.

63. According to SML's "General Ordering Procedures" webpage, SML accepts payment for their services by wire, Western Union, Moneybookers, Moneygram, International Money Order, or Visa or Mastercard. Exhibit 21. Additionally, Western Union is one of the methods that SML uses to load funds onto SML clients' prepaid debit cards, such as the Sovereign Gold Card. On SML's Sovereign Gold Card "Loading of Prepaid Cards" webpage, SML advises clients that they can make a transfer from any Western Union office in the world by taking cash to the office, or by submitting a wire online. Clients are further instructed to notify SML of the transfer via email, including sender name, sender location, receiver name, amount of transfer, and MTCN (tracking) number. SML states that the funds will be credited to the client's card within five business days. Exhibit 18.

64. According to the Willems indictment:

Defendant WILLEMS would instruct customers wishing to purchase controlled substances from the on-line controlled substances marketplaces to send their payments in the names of various individuals in Budapest, Hungary, via Western Union, to bank accounts held by Sovereign Management and Legal, S.A., based

in Panama, for transfer to a pre-paid debit card account accessible by defendant WILLEMS.

Exhibit 4, p. 8 ¶6.

65. By conducting a search of SML accounts, Western Union can retrieve data regarding money transfer services associated with these accounts. Western Union also has the ability to search its records based on sender or recipient names. Thus, Western Union should be able to identify instances in which services were used to transfer money from SML and to SML or to listed persons whom the Service has reason to believe are employees or associates of SML, where the money was transferred to or from the United States.

Federal Reserve

66. Federal Reserve provides the Fedwire Funds Service ("Fedwire"), which is the primary domestic electronic funds transfer system. The system handles both the message transfer traffic initiating financial transactions among financial institutions and their customers, and the actual movement of funds. There are over 11,000 financial institutions using Fedwire. The system is only directly accessible by financial institutions with a U.S. presence. However, the Fedwire system may also handle the domestic segment of a cross-border funds transfer transaction that might either originate or be destined for abroad. According to SML's "General Ordering Procedures" webpage, SML accepts payment for their services by wire. Exhibit 21.

67. Originators of Fedwire funds transfers are required to submit information identifying, among other things, the originator and beneficiary and their banks, and may provide other information related to the purpose of the transfer, including names,

addresses and account numbers. Instruction fields may contain information relating to cross border fund transfers where Fedwire handles the domestic segment. Fedwire is able to search its funds transfer data by field and can readily identify transactions where SML, its affiliates, or employees, by name or address, were parties to the transfers.

68. Records of wire transfers sent between SML and its U.S. clients will help the Service identify U.S. taxpayers who may have used SML's services for purposes of setting up offshore entities or accounts to avoid the payment of tax. Although we are also seeking electronic funds transfer records in a summons to HSBC USA relating to correspondent accounts maintained by two of SML's known banks in Panama and Hong Kong, as described below, the summons for Fedwire records with respect to transfers to or from SML or SML employees is expected to produce information about wire transfers to and from other banks used by SML.

Clearing House

69. Clearing House operates the Clearing House Interbank Payments System, also known as "CHIPS," which is the main electronic funds transfer system for processing international U.S. dollar funds transfers made among international banks. The system handles over 90 percent of all U.S. dollar funds transfers moving between countries around the world. CHIPS is a complimentary service to Fedwire; as a result, the wire information contained in CHIPS and Fedwire will not be the same. Similar to Fedwire, CHIPS captures data regarding originator and beneficiary information, as well as information contained in the instruction or reference fields of a wire transfer. CHIPS is able to produce records pertaining to wire transfers processed through its system.

70. According to SML's "General Ordering Procedures" webpage, SML accepts payment for their services by wire. Exhibit 21. U.S. dollar denominated funds transfers from U.S. clients to SML in Panama, Belize, or Hong Kong are likely to use CHIPS for the cross border segment of the transfers. Records of wire transfers sent between SML and its U.S. clients will help the Service identify U.S. taxpayers who may have used SML's services for purposes of setting up offshore entities or accounts to avoid the payment of tax.

HSBC USA - Correspondent Bank Accounts

71. During the course of my investigation, I learned that SML was engaged in financial transactions with offshore banks and using U.S.-based correspondent accounts to clear U.S. dollar denominated transactions.

72. Specifically, I learned that SML has a banking relationship with HSBC Panama, using HSBC USA as their correspondent bank in the United States. I have learned from a confidential source that SML has used HSBC Panama to send and receive wire transfers from and to Panama. In addition, Taxpayer-1 understood that HSBC Panama was the bank that SML worked with. According to the HSBC Panama website and other available information, HSBC Panama maintains a correspondent account with HSBC USA, SWIFT Code MRMDUS33, ABA Code [REDACTED], and account number [REDACTED]. HSBC maintains its headquarters office in McLean, VA.¹⁵ HSBC operates banking centers in New York, including a location at 307 Grand Street, New York, NY.

¹⁵ Per HSBC's website, HSBC also maintains a "principal office" in New York, NY. See "HSBC Bank USA Fact Sheet" at <http://www.us.hsbc.com/1/2/home/about/corporate/facts>.

73. I also learned that SML has a banking relationship with HSBC Hong Kong, which also used HSBC USA as their correspondent bank in the United States. I have learned from a confidential source that SML has used HSBC Hong Kong to send and receive wire transfers from and to Hong Kong. According to the HSBC Hong Kong website and other available information, HSBC Hong Kong maintains a correspondent account with HSBC USA, SWIFT Code MRMDUS33, CHIPS UID [REDACTED], Fedwire number [ABA Code] [REDACTED], and account number [REDACTED].

74. Based on my experience, I know that through these correspondent relationships, SML could transfer funds from HSBC Panama and HSBC Hong Kong to their respective correspondent accounts in the United States and, in turn, transfer funds from their respective correspondent accounts in the United States to other accounts in the United States or to accounts overseas. HSBC Panama and HSBC Hong Kong also had the ability to issue checks drawn on their respective correspondent accounts to or for the benefit of U.S. clients of SML. Checks drawn on a correspondent account function like any check drawn on an account at a U.S. financial institution and could be deposited, or cashed for U.S. dollars, at other financial institutions. Based on my experience, I know that a correspondent account can also serve as a means of moving funds into the foreign respondent bank, in this case HSBC Panama and HSBC Hong Kong, through the clearing of U.S. checks deposited by SML.

75. Because the correspondent account is the principal means for a foreign bank to move funds into and out of the United States and to move dollar denominated funds from one place to another, the records of these correspondent accounts should be a rich source of leads to identify SML's U.S. clients. Those records should include

deposited items, which will contain evidence of funds paid by check to SML by its U.S. clients, cancelled checks, which will contain evidence of payments made by SML through its foreign banks to U.S. clients or to third parties on behalf of the U.S. clients, and records of wire transfers into and out of these foreign banks. The electronic funds transfers moving through the correspondent accounts will include internal transfers and transfers that did not go through the Fedwire and CHIPS systems.

76. Sections 312, 313 and 319(b) of the U.S.A. Patriot Act and related regulations impose certain obligations on U.S. financial institutions such as HSBC USA that house correspondent accounts for foreign financial institutions to guard against money laundering. As explained on page 121 of the Bank Secrecy Act/Anti-Money Laundering Examination Manual dated April 29, 2010 ("Examination Manual"), published by the Federal Financial Institutions Examination Council:

Due diligence policies, procedures, and controls must include each of the following:

- Determining whether each such foreign correspondent account is subject to enhanced due diligence.
- Assessing the money laundering risks presented by each such foreign correspondent account.
- Applying risk-based procedures and controls to each such foreign correspondent account reasonably designed to detect and report known or suspected money laundering activity, including a periodic review of the correspondent account activity sufficient to determine consistency with information obtained about the type, purpose, and anticipated activity of the account.

Examination Manual, Foreign Correspondent Account Recordkeeping and Due

Diligence – Overview

(http://www.ffiec.gov/bsa_aml_infobase/documents/bsa_aml_man_2010.pdf). The

summons also requests reports produced by HSBC USA's anti-money laundering system in connection with these due diligence and suspicious activity monitoring requirements, as well as documents reflecting the results of investigations of such exceptions, including communications with HSBC Panama and HSBC Hong Kong. Such exception reports and investigation results may contain information relevant to the identification of U.S. taxpayers using SML to facilitate the evasion of tax.

77. Based on information received by the Service, the persons in the "John Doe" class may have failed to report the existence of foreign financial accounts under their control, failed to report income, evaded income taxes, or otherwise violated the internal revenue laws of the United States.

78. As described in greater detail below: (1) the "John Doe" summonses to FedEx, DHL, UPS, Western Union, Federal Reserve, Clearing House, and HSBC USA (collectively "the 'John Doe' Summonses") relate to the investigation of an ascertainable group or class of persons; (2) there is a reasonable basis for believing that this group or class of persons has failed or may have failed to comply with provisions of the internal revenue laws; and (3) the information and documents sought to be obtained from the examination of the records or testimony (and the identity of the persons with respect to whose tax liabilities the summonses have been issued) are not readily available from sources other than FedEx, DHL, UPS, Western Union, Federal Reserve, Clearing House, or HSBC USA.

I. THE SUMMONSES DESCRIBE A PARTICULAR PERSON OR ASCERTAINABLE CLASS OF PERSONS.

79. The “John Doe” summonses seek information regarding United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of SML to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

80. This class of persons is ascertainable in that the individuals in the class are particularized from the general public by their characteristics of being United States individuals who used the services of SML to establish and maintain foreign accounts, assets, and entities.

II. MEMBERS OF THE “JOHN DOE” CLASS MAY HAVE FAILED TO COMPLY WITH THE INTERNAL REVENUE LAWS.

A. Internal Revenue Laws Require United States Taxpayers to Report Income Earned Worldwide, to Disclose All Foreign Financial Accounts, and to File Reports of Certain Foreign Financial Accounts.

81. United States taxpayers with gross income exceeding the filing requirements must file annual income tax returns reporting to the Service their income from all sources worldwide. Taxpayers who fail to report all income on their income tax returns – including income earned in accounts held overseas – have failed to comply with the internal revenue laws.

82. United States taxpayers who have a financial interest in, or signature authority over, any foreign financial account must disclose the existence of that account on their federal income tax returns. For individuals, this is done by checking the “Yes” box in response to a question at the bottom of Schedule B, Interest and Ordinary

Dividends, which is attached to the U.S. Individual Income Tax Return Form 1040 (or Form 1040A).

83. United States taxpayers who have a financial interest in, or signature authority over, one or more financial accounts in a foreign country with an aggregate value of more than \$10,000 at any time during a calendar year are required to file with the Department of the Treasury, for that calendar year, a Report of Foreign Bank and Financial Accounts on FinCEN Form 114 ("FBAR").¹⁶ The FBAR for that calendar year is due by June 30 following the end of that calendar year. It is the experience of the Service that taxpayers who have failed to file FBARs with respect to foreign financial accounts typically also have failed to check the box on Schedule B of the U.S. Individual Income Tax Return, Form 1040 (or Form 1040A), disclosing the existence of foreign financial accounts, and have failed to report interest or other income earned with respect to those foreign accounts.

84. A United States person who receives a distribution from a foreign trust, or who was the grantor of, or transferor to, a foreign trust, or who receives certain large gifts or bequests from certain foreign persons, may be required to file Form 3520, Annual Return to Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts.

85. A United States person who is treated as an owner of any portion of a foreign trust under the grantor trust rules is responsible for ensuring that the foreign trust files Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner,

¹⁶ Effective for 2013, Report of Foreign Bank and Financial Accounts, commonly known as an "FBAR," is now reported on FinCEN Form 114 (a.k.a. FinCEN Report 114). Prior to FinCEN Form 114, an FBAR was reported on Form TD F 90-22.1.

and that the required annual statements are furnished to its U.S. owners and U.S. beneficiaries.

86. A United States person may be required to file Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, if certain conditions are met relating to their ownership interest in a foreign corporation.

B. The Internal Revenue Service has Reason to Believe that Members of the "John Doe" Class May Have Failed to Comply with One or More Requirements of the Internal Revenue Laws.

87. The "John Doe" class includes United States taxpayers who used SML services to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity. Based on my experience with offshore issues, taxpayers who hold undisclosed foreign accounts, entities, or structures often do so in order to conceal their existence and income from the Service. SML offers its clients a number of structures and services that can be used for tax evasion purposes. Because it does not know the identities of those in the "John Doe" class, the Service cannot yet audit these United States taxpayers' income tax returns to determine whether they reported their income held in offshore accounts and reported the existence of their offshore entities.

88. It is the experience of the Service that there is a direct correlation between unreported income and the lack of visibility of that income to the Service. That is, when the third-party payer of income to a taxpayer is not required to, or does not, report that income to the Service, the taxpayer-recipient of that income is far less likely to report that income on his or her tax returns. This experience supports the Service's

understanding that United States taxpayers with undisclosed offshore accounts, entities, or structures with SML may not be complying with the internal revenue laws requiring them to report income related to those accounts, as well as reporting the existence of their offshore entities. Because it does not know the identities of those in the "John Doe" class, the Service cannot yet audit the returns filed by those United States taxpayers, to determine whether they reported that income and reported the existence of their offshore entities.

89. The services provided to its U.S. clients by SML, as described to me by Taxpayer -1, as described in the Willems indictment (Exhibit 4), and as described at length on SML's own websites, are the kinds of activities that, in the experience of the Service, are the hallmarks of offshore tax evasion, including structures of offshore trusts, foundations and anonymous corporations managed by nominee officers and secretly owned through bearer shares, the concealment of beneficial ownership in foreign accounts and assets in jurisdictions with strong financial secrecy laws and practices, the use of offshore merchant accounts to escape taxation of business credit card receipts, and the use of anonymous offshore debit and credit cards to secretly repatriate untaxed offshore funds.

90. The information obtained by the Service and discussed in this Declaration suggests that many of the still-unknown United States taxpayers doing business with SML have not reported their offshore accounts, entities, or structures. Instead, they have likely relied on the lack of third party reporting to support their decision not to report the existence of those entities and accounts, with the expectation that the

Service would not discover the accounts, omitted income, or the existence of the entities.

91. Based on the above information, United States taxpayers in the "John Doe" class may be failing to comply with the Internal Revenue Code provisions governing United States taxpayers' obligations to report and pay tax on world-wide income, to disclose all interests in foreign financial accounts, to file annual reports of foreign financial accounts with assets exceeding \$10,000, and to file annual reports reporting their offshore entities.

III. THE REQUESTED INFORMATION IS NOT READILY AVAILABLE FROM OTHER SOURCES.

92. To my knowledge, and based on my experience, the only repositories of the information sought by each of the proposed summonses that is readily available to the Service are FedEx, DHL, UPS, Western Union, Federal Reserve, Clearing House, and HSBC USA.

93. In light of the above, the records sought by the John Doe summonses are not otherwise reasonably and timely available to the Service.

IV. CONCLUSION

94. Based upon the foregoing, I believe that the information sought in the "John Doe" summonses to be issued to FedEx, DHL, UPS, Western Union, Federal Reserve, Clearing House, and HSBC USA will allow the Service to identify United States taxpayers who may have failed to comply with their obligation to report and pay U.S. tax on income earned with respect to financial accounts and entities established,

maintained, operated, or controlled by or through SML during the years ended December 31, 2005, through December 31, 2013.

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

Executed this 16th day of December 2014.



RANDY HOOCZKO
Internal Revenue Agent
Internal Revenue Service

EXHIBIT A



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: Federal Express Corporation a.k.a. FedEx Express

At: 4 Union Square E., New York, NY 10003

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Do not write in this space

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.
(year)
Issued under authority of the Internal Revenue Code this _____ day of _____, 2014
(year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Original — to be kept by IRS



Service of Summons, Notice and Recordkeeper Certificates

COPY

(Pursuant to section 7603, Internal Revenue Code)

I certify that I served the summons shown on the front of this form on:

Date	Time
------	------

How Summons Was Served

1. ☐ I certify that I handed a copy of the summons, which contained the attestation required by § 7603, to the person to whom it was directed.
2. ☐ I certify that I left a copy of the summons, which contained the attestation required by § 7603, at the last and usual place of abode of the person to whom it was directed. I left the copy with the following person (if any): _____
3. ☐ I certify that I sent a copy of the summons, which contained the attestation required by § 7603, by certified or registered mail to the last known address of the person to whom it was directed, that person being a third-party recordkeeper within the meaning of § 7603(b). I sent the summons to the following address: _____
4 Union Square E., New York, NY 10003

Signature	Title
-----------	-------

4. This certificate is made to show compliance with IRC Section 7609. This certificate does not apply to summonses served on any officer or employee of the person to whose liability the summons relates nor to summonses in aid of collection, to determine the identity of a person having a numbered account or similar arrangement, or to determine

whether or not records of the business transactions or affairs of an identified person have been made or kept.

I certify that, within 3 days of serving the summons, I gave notice (Part D of Form 2039) to the person named below on the date and in the manner indicated.

Date of giving Notice: _____ Time: _____

Name of Noticee: _____

Address of Noticee (if mailed): _____

How Notice Was Given

- | | |
|---|---|
| <input type="checkbox"/> I gave notice by certified or registered mail to the last known address of the noticee. | <input type="checkbox"/> I gave notice by handing it to the noticee. |
| <input type="checkbox"/> I left the notice at the last and usual place of abode of the noticee. I left the copy with the following person (if any). | <input type="checkbox"/> In the absence of a last known address of the noticee, I left the notice with the person summoned. |
| | <input checked="" type="checkbox"/> No notice is required. |

Signature	Title
-----------	-------

I certify that the period prescribed for beginning a proceeding to quash this summons has expired and that no such proceeding was instituted or that the noticee consents to the examination.

Signature	Title
-----------	-------



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: Federal Express Corporation a.k.a. FedEx Express

At: 4 Union Square E., New York, NY 10003

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Attestation

I hereby certify that I have examined and compared this copy of the summons with the original and that it is a true and correct copy of the original.

Signature of IRS officer serving the summons

Title

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev.12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.

Issued under authority of the Internal Revenue Code this _____ day of _____, 2014
(year) (year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Part A - to be given to person summoned



Provisions of the Internal Revenue Code

Sec. 7602. Examination of books and witnesses

(a) Authority to Summon, etc. - For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized -

- (1) To examine any books, papers, records, or other data which may be relevant or material to such inquiry.
- (2) To summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of account containing entries relating to the business of the person liable for tax or required to perform the act, or any other person the Secretary may deem proper, to appear before the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and
- (3) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry.

(b) Purpose may include inquiry into offense. - The purposes for which the Secretary may take any action described in paragraph (1), (2), or (3) of subsection (a) include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

(c) Notice of contact of third parties. -

- (1) General Notice. - An officer or employee of the Internal Revenue Service may not contact any person other than the taxpayer with respect to the determination or collection of the tax liability of such taxpayer without providing reasonable notice in advance to the taxpayer that contacts with persons other than the taxpayer may be made.
- (2) Notice of specific contacts. - The Secretary shall periodically provide to a taxpayer a record of persons contacted during such period by the Secretary with respect to the determination or collection of the tax liability of such taxpayer. Such record shall also be provided upon request of the taxpayer.
- (3) Exceptions. - This subsection shall not apply-
 - (A) to any contact which the taxpayer has authorized,
 - (B) if the Secretary determines for good cause shown that such notice would jeopardize collection of any tax or such notice may involve reprisal against any person, or
 - (C) with respect to any pending criminal investigation.

(d) No administrative summons when there is Justice Department referral. -

- (1) Limitation of authority. - No summons may be issued under this title, and the Secretary may not begin any action under section 7604 to enforce any summons, with respect to any person if a Justice Department referral is in effect with respect to such person.
- (2) Justice Department referral in effect. - For purposes of this subsection-
 - (A) In general. - A Justice Department referral is in effect with respect to any person if-
 - (i) the Secretary has recommended to the Attorney General a grand jury investigation of, or the criminal prosecution of, such person for any offense connected with the administration or enforcement of the internal revenue laws or
 - (ii) any request is made under section 6103(h)(3)(B) for the disclosure of any return or return information (within the meaning of section 6103(b)) relating to such person.
 - (B) Termination. - A Justice Department referral shall cease to be in effect with respect to a person when-
 - (i) the Attorney General notifies the Secretary, in writing, that -
 - (I) he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws,
 - (II) he will not authorize a grand jury investigation of such person with respect to such an offense, or
 - (III) he will discontinue such a grand jury investigation.
 - (ii) a final disposition has been made of any criminal proceeding pertaining to the enforcement of the internal revenue laws which was instituted by the Attorney General against such person, or
 - (iii) the Attorney General notifies the Secretary, in writing, that he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws relating to the request described in sub paragraph (A)(ii).
- (3) Taxable years, etc., treated separately. - For purposes of this subsection, each taxable period (or, if there is no taxable period, each taxable event) and each tax imposed by a separate chapter of this title shall be treated separately.

(e) Limitation on examination on unreported income. - The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income.

Authority to examine books and witness is also provided under sec. 6420 (e)(2) - Gasoline used on farms: sec. 6421(g)(2) - Gasoline used for certain nonhighway purposes by local transit systems, or sold for certain exempt purposes; and sec. 6427(j)(2) - Fuels not used for taxable purposes.

Sec. 7603. Service of summons

(a) In general. - A summons issued under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 shall be served by the Secretary, by an attested copy delivered in hand to the person to whom it is directed, or left at his last and usual place of abode, and the certificate of service signed by the person serving the summons shall be evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of books, papers, records, or other data, it shall be sufficient if such books, papers, records, or other data are described with reasonable certainty

(b) Service by mail to third-party recordkeepers. -

- (1) In general. - A summons referred to in subsection (a) for the production of books, papers, records, or other data by a third-party recordkeeper may also be served by certified or registered mail to the last known address of such recordkeeper.
- (2) Third party record keeper. - For purposes of paragraph (1), the term *third-party recordkeeper* means -
 - (A) any mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution chartered and supervised as a savings and loan or similar association under Federal or State law, any bank (as defined in section 581), or any credit union (within the meaning of section 501(c)(14)(A));
 - (B) any consumer reporting agency (as defined under section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681 a(f)));
 - (C) Any person extending credit through the use of credit cards or similar devices;
 - (D) any broker (as defined in section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4)));
 - (E) any attorney;
 - (F) any accountant;
 - (G) any barter exchange (as defined in section 6045(c)(3));
 - (H) any regulated investment company (as defined in section 851) and any agent of such regulated investment company when acting as an agent thereof;
 - (I) any enrolled agent; and
 - (J) any owner or developer of a computer software source code (as defined in section 7612(d)(2)). Subparagraph (J) shall apply only with respect to a summons requiring the production of the source code referred to in subparagraph (J) or the program and data described in section 7612(b)(1)(A)(ii) to which source code relates.

Sec. 7604. Enforcement of summons

(a) Jurisdiction of District Court. - If any person is summoned under the internal revenue laws to appear, to testify, or to produce books, papers, records, or other data, the United States district court for the district in which such person resides or is found shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, records, or other data.

(b) Enforcement. - Whenever any person summoned under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, the Secretary may apply to the judge of the district court or to a United States Commissioner¹ for the district within which the person so summoned resides or is found for an attachment against him as for a contempt, it shall be the duty of the judge or commissioner to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or the United States Commissioner¹ shall have power to make such order as he shall deem proper, not inconsistent with the law for the punishment of contempts, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

~ ~ ~ ~ ~

Sec. 7605. Time and place of examination

(a) Time and place. - The time and place of examination pursuant to the provisions of section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 shall be such time and place as may be fixed by the Secretary and as are reasonable under the circumstances. In the case of a summons under authority of paragraph (2) of section 7602, or under the corresponding authority of section 6420(e)(2), 6421(g)(2) or 6427(j)(2), the date fixed for appearance before the Secretary shall not be less than 10 days from the date of the summons.

¹Or United States magistrate, pursuant to P. L. 90-578.

Sec. 7610. Fees and costs for witnesses

(a) In general. - The secretary shall by regulations establish the rates and conditions under which payment may be made of -

- (1) fees and mileage to persons who are summoned to appear before the Secretary, and
- (2) reimbursement for such costs that are reasonably necessary which have been directly incurred in searching for, reproducing, or transporting books, papers, records, or other data required to be produced by summons.

(b) Exceptions. - No payment may be made under paragraph (2) of subsection (a) if -

- (1) the person with respect to whose liability the summons is issued has a proprietary interest in the books, papers, records or other data required to be produced, or
- (2) the person summoned is the person with respect to whose liability the summons is issued or an officer, employee, agent, accountant, or attorney of such person who, at the time the summons is served, is acting as such.

(c) Summons to which section applies. - This section applies with respect to any summons authorized under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602.

Sec. 7210. Failure to obey summons

Any person who, being duly summoned to appear to testify, or to appear and produce books, accounts, records, memoranda or other papers, as required under sections 6420(e)(2), 6421(g)(2), 6427(j)(2), 7602, 7603, and 7604(b), neglects to appear or to produce such books, accounts, records memoranda, or other papers, shall, upon conviction thereof, be fined not more than \$1,000, or imprisoned not more than 1 year, or both, together with costs of prosecution.

In the Matter of Tax Liability of John Does
Attachment to Form 2039 Summons to Federal Express Corporation a.k.a. FedEx
Express

COPY

Documents

Please provide the below documents for the period January 1, 2005 through December 31, 2013.

1. For each account relationship between FedEx Express and SML and its affiliates or subsidiaries listed below, provide the following:
 - a. Account registration information
 - b. Account agreements, including letters of intent or letters of understanding
 - c. Customer address book
 - d. Customer profile
 - e. Customer contact information
 - f. Available reports
 - g. Any and all records reflecting billing and payment for any services provided by FedEx Express to SML. Such records should include invoices, statements, and documents related to payment.
 - h. Any and all records reflecting courier service provided to SML, including Airbills, Waybills, bills of lading, internal records regarding courier information, billing records associated with the courier service, courier service label, proof of delivery, and any other information identifying the recipient and the recipient's address, telephone number or other contact information.
 - i. Records of communications with the customer
2. For each FedEx Express shipment from a location in the United States to SML or its affiliates and subsidiaries listed below or to the SML addresses listed below, provide the following:
 - a. Account information for the shipper, including account registration information, customer address book, customer profile information, customer contact information, records of payment cards or financial accounts associated with the account, and any records of communications with the customer
 - b. Any and all records reflecting the method and source of payment for the shipment
 - c. Any shipment records identifying the shipper, including Airbills, Waybills, bills of lading, internal records regarding courier information, billing records associated with the courier service, courier service label, and any other information containing the shipper's address, telephone number or other contact information.

"SML" is defined as Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates, which includes Sovereign Management Legal, Sovereign Management & Legal, Ltd, Sovereign Management & Legal Limited, Sovereign Management & Legal, S.A., Sovereign Management Services, Sovereign Management Services, S.A., Sovereign Management & Legal Realty, Sovereign Gold Card,

In the Matter of Tax Liability of John Does
Attachment to Form 2039 Summons to Federal Express Corporation a.k.a. FedEx Express

COPY

Sovereign Law Center, Sovereign Realty, International Corporate Services Ltd., Belize Offshore Solutions Limited, and Atlas Corporate & Trust Limited.

The SML addresses are:

#1 Mapp Street, Belize City, Belize
63 Hoi Yuen Rd., Ste 606, Kwun Tong, Hong Kong
2250 NW 114th Ave, Unit 1P, Miami, FL 33172-3652
P.O. Box 025724, PTY 6063, Miami, FL 33102-5724
Apdo 0819-10660, Panama City, Panama
The Century Tower, 20th Floor, Suite 2007, Avenida Ricardo J. Alfaro,
Panama City
Pacific Sky/Sun Towers Lobby Level, Suite No. 1, Punta Paitilla, Ramon
Hurtado Avenue, Panama, Panama

"Courier service" is defined as any FedEx Express shipment to or from SML and a U.S. address, or billed against SML's account(s) with FedEx Express.

Instructions for Production of Electronically Stored Records

If the records requested herein are stored in your record retention systems and/or by your technology, data, or other service providers, it should be produced on electronic media according to the following criteria:

I. Text Data

- A. Text data relating to transactions shall be produced within a data file:
1. Using a delimited ASCII text data format; or
 2. Using software that can export to a commonly readable, nonproprietary file format without loss of data.
 3. If text data is stored in a format readable only by proprietary software, provide a copy of software necessary to enable the data to be retrieved, manipulated, and processed by a computer.
- B. Text data files relating to transactions shall include field descriptions (e.g., account number, date/time, description, payee/payor, check number, item identifier, amount, etc.)

II. Image Data

- A. Image data shall be produced in graphic data files in a commonly readable, nonproprietary format with the highest image quality maintained.
- B. Image data of items associated with transactions (e.g., cancelled checks, deposit slips, etc.) shall be:
1. Produced in individual graphic data files with any associated endorsements;
 2. Linked to corresponding text data by a unique identifier; and

In the Matter of Tax Liability of John Does
Attachment to Form 2039 Summons to Federal Express Corporation a.k.a. FedEx
Express

COPY

3. Image collections, OCR (optical character recognition), and image linking files must be produced in a Concordance load-ready format, ideally in a Concordance database.

III. Encryption/Authentication

- A. Electronically stored records may be transmitted in an encrypted container. Decryption keys and/or passwords shall be produced separately at the time the data is produced.
- B. Authentication, such as hash coding, may be set by agreement.
- C. Affidavits or certificates of authenticity for the records may be included as part of the electronic production.

If you have questions about the format in which to provide electronic data, please contact Revenue Agent Randy Hooczko by telephone at (626) 927-1343.

Before you produce any of the above-listed records, please contact Revenue Agent Hooczko by telephone at (626) 927-1343 to discuss the terms of compliance.

The personal appearance requirement is waived when the requested information is furnished by mail to Revenue Agent Hooczko at 9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828.

EXHIBIT B



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: FedEx Ground Package System, Inc. a.k.a. FedEx Ground

At: 4 Union Square E., New York, NY 10003

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Do not write in this space

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.

Issued under authority of the Internal Revenue Code this _____ day of _____, 2014
(year) (year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Original — to be kept by IRS



Service of Summons, Notice **COPY** and Recordkeeper Certificates

(Pursuant to section 7603, Internal Revenue Code)

I certify that I served the summons shown on the front of this form on:

Date	Time
------	------

How Summons Was Served

1. ☐ I certify that I handed a copy of the summons, which contained the attestation required by § 7603, to the person to whom it was directed.
2. ☐ I certify that I left a copy of the summons, which contained the attestation required by § 7603, at the last and usual place of abode of the person to whom it was directed. I left the copy with the following person (if any): _____
3. ☐ I certify that I sent a copy of the summons, which contained the attestation required by § 7603, by certified or registered mail to the last known address of the person to whom it was directed, that person being a third-party recordkeeper within the meaning of § 7603(b). I sent the summons to the following address: _____
4 Union Square E., New York, NY 10003

Signature	Title
-----------	-------

4. This certificate is made to show compliance with IRC Section 7609. This certificate does not apply to summonses served on any officer or employee of the person to whose liability the summons relates nor to summonses in aid of collection, to determine the identity of a person having a numbered account or similar arrangement, or to determine

whether or not records of the business transactions or affairs of an identified person have been made or kept.

I certify that, within 3 days of serving the summons, I gave notice (Part D of Form 2039) to the person named below on the date and in the manner indicated.

Date of giving Notice: _____ Time: _____

Name of Noticee: _____

Address of Noticee (if mailed): _____

How Notice Was Given

- | | |
|---|---|
| <input type="checkbox"/> I gave notice by certified or registered mail to the last known address of the noticee. | <input type="checkbox"/> I gave notice by handing it to the noticee. |
| <input type="checkbox"/> I left the notice at the last and usual place of abode of the noticee. I left the copy with the following person (if any). | <input type="checkbox"/> In the absence of a last known address of the noticee, I left the notice with the person summoned. |
| | <input checked="" type="checkbox"/> No notice is required. |

Signature	Title
-----------	-------

I certify that the period prescribed for beginning a proceeding to quash this summons has expired and that no such proceeding was instituted or that the noticee consents to the examination.

Signature	Title
-----------	-------



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: FedEx Ground Package System, Inc. a.k.a. FedEx Ground

At: 4 Union Square E., New York, NY 10003

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Attestation

I hereby certify that I have examined and compared this copy of the summons with the original and that it is a true and correct copy of the original.

Signature of IRS officer serving the summons

Title

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.
(year)
Issued under authority of the Internal Revenue Code this _____ day of _____, 2014
(year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Part A - to be given to person summoned



Provisions of the Internal Revenue Code

Sec. 7602. Examination of books and witnesses

(a) Authority to Summon, etc. - For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized -

- (1) To examine any books, papers, records, or other data which may be relevant or material to such inquiry.
- (2) To summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of account containing entries relating to the business of the person liable for tax or required to perform the act, or any other person the Secretary may deem proper, to appear before the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and
- (3) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry.

(b) Purpose may include inquiry into offense. - The purposes for which the Secretary may take any action described in paragraph (1), (2), or (3) of subsection (a) include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

(c) Notice of contact of third parties. -

- (1) General Notice. - An officer or employee of the Internal Revenue Service may not contact any person other than the taxpayer with respect to the determination or collection of the tax liability of such taxpayer without providing reasonable notice in advance to the taxpayer that contacts with persons other than the taxpayer may be made.
- (2) Notice of specific contacts. - The Secretary shall periodically provide to a taxpayer a record of persons contacted during such period by the Secretary with respect to the determination or collection of the tax liability of such taxpayer. Such record shall also be provided upon request of the taxpayer.
- (3) Exceptions. - This subsection shall not apply-
 - (A) to any contact which the taxpayer has authorized,
 - (B) if the Secretary determines for good cause shown that such notice would jeopardize collection of any tax or such notice may involve reprisal against any person, or
 - (C) with respect to any pending criminal investigation.

(d) No administrative summons when there is Justice Department referral. -

- (1) Limitation of authority. - No summons may be issued under this title, and the Secretary may not begin any action under section 7604 to enforce any summons, with respect to any person if a Justice Department referral is in effect with respect to such person.
- (2) Justice Department referral in effect. - For purposes of this subsection-
 - (A) In general. - A Justice Department referral is in effect with respect to any person if-
 - (i) the Secretary has recommended to the Attorney General a grand jury investigation of, or the criminal prosecution of, such person for any offense connected with the administration or enforcement of the internal revenue laws or
 - (ii) any request is made under section 6103(h)(3)(B) for the disclosure of any return or return information (within the meaning of section 6103(b)) relating to such person.
 - (B) Termination. - A Justice Department referral shall cease to be in effect with respect to a person when-
 - (i) the Attorney General notifies the Secretary, in writing, that -
 - (I) he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws,
 - (II) he will not authorize a grand jury investigation of such person with respect to such an offense, or
 - (III) he will discontinue such a grand jury investigation.
 - (ii) a final disposition has been made of any criminal proceeding pertaining to the enforcement of the internal revenue laws which was instituted by the Attorney General against such person, or
 - (iii) the Attorney General notifies the Secretary, in writing, that he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws relating to the request described in sub paragraph (A)(i).
- (3) Taxable years, etc., treated separately. - For purposes of this subsection, each taxable period (or, if there is no taxable period, each taxable event) and each tax imposed by a separate chapter of this title shall be treated separately.

(e) Limitation on examination on unreported income. - The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income.

Authority to examine books and witness is also provided under sec. 6420 (e)(2) - Gasoline used on farms: sec. 6421(g)(2) - Gasoline used for certain nonhighway purposes by local transit systems, or sold for certain exempt purposes; and sec. 6427(j)(2) - Fuels not used for taxable purposes.

Sec. 7603. Service of summons

(a) In general. - A summons issued under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 shall be served by the Secretary, by an attested copy delivered in hand to the person to whom it is directed, or left at his last and usual place of abode; and the certificate of service signed by the person serving the summons shall be evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of books, papers, records, or other data, it shall be sufficient if such books, papers, records, or other data are described with reasonable certainty

(b) Service by mail to third-party recordkeepers. -

- (1) In general. - A summons referred to in subsection (a) for the production of books, papers, records, or other data by a third-party recordkeeper may also be served by certified or registered mail to the last known address of such recordkeeper.
- (2) Third party record keeper. - For purposes of paragraph (1), the term *third-party recordkeeper* means -
 - (A) any mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution chartered and supervised as a savings and loan or similar association under Federal or State law, any bank (as defined in section 581), or any credit union (within the meaning of section 501 (c)(14)(A));
 - (B) any consumer reporting agency (as defined under section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681 a(f));
 - (C) Any person extending credit through the use of credit cards or similar devices;
 - (D) any broker (as defined in section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4));
 - (E) any attorney;
 - (F) any accountant;
 - (G) any barter exchange (as defined in section 6045(c)(3));
 - (H) any regulated investment company (as defined in section 851) and any agent of such regulated investment company when acting as an agent thereof;
 - (I) any enrolled agent; and
 - (J) any owner or developer of a computer software source code (as defined in section 7612(d)(2)). Subparagraph (J) shall apply only with respect to a summons requiring the production of the source code referred to in subparagraph (J) or the program and data described in section 7612(b)(1)(A)(ii) to which source code relates.

Sec. 7604. Enforcement of summons

(a) Jurisdiction of District Court. - If any person is summoned under the internal revenue laws to appear, to testify, or to produce books, papers, records, or other data, the United States district court for the district in which such person resides or is found shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, records, or other data.

(b) Enforcement. - Whenever any person summoned under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, the Secretary may apply to the judge of the district court or to a United States Commissioner for the district within which the person so summoned resides or is found for an attachment against him as for a contempt, it shall be the duty of the judge or commissioner to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or the United States Commissioner shall have power to make such order as he shall deem proper, not inconsistent with the law for the punishment of contempts, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

* * * * *

Sec. 7605. Time and place of examination

(a) Time and place. - The time and place of examination pursuant to the provisions of section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 shall be such time and place as may be fixed by the Secretary and as are reasonable under the circumstances. In the case of a summons under authority of paragraph (2) of section 7602, or under the corresponding authority of section 6420(e)(2), 6421 (g)(2) or 6427(j)(2), the date fixed for appearance before the Secretary shall not be less than 10 days from the date of the summons.

*Or United States magistrate, pursuant to P L. 90-578.

Sec. 7610. Fees and costs for witnesses

(a) In general. - The secretary shall by regulations establish the rates and conditions under which payment may be made of -

- (1) fees and mileage to persons who are summoned to appear before the Secretary, and
- (2) reimbursement for such costs that are reasonably necessary which have been directly incurred in searching for, reproducing, or transporting books, papers, records, or other data required to be produced by summons.

(b) Exceptions. - No payment may be made under paragraph (2) of subsection (a) if -

- (1) the person with respect to whose liability the summons is issued has a proprietary interest in the books, papers, records or other data required to be produced, or
- (2) the person summoned is the person with respect to whose liability the summons is issued or an officer, employee, agent, accountant, or attorney of such person who, at the time the summons is served, is acting as such.

(c) Summons to which section applies. - This section applies with respect to any summons authorized under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602.

Sec. 7210. Failure to obey summons

Any person who, being duly summoned to appear to testify, or to appear and produce books, accounts, records, memoranda or other papers, as required under sections 6420(e)(2), 6421(g)(2), 6427(j)(2), 7602, 7603, and 7604(b), neglects to appear or to produce such books, accounts, records memoranda, or other papers, shall, upon conviction thereof, be fined not more than \$1,000, or imprisoned not more than 1 year, or both, together with costs of prosecution.

In the Matter of Tax Liability of John Does
Attachment to Form 2039 Summons to FedEx Ground Package System, Inc. a.k.a.
FedEx Ground

COPY

Documents

Please provide the below documents for the period January 1, 2005 through December 31, 2013.

1. For each account relationship between FedEx Ground and SML and its affiliates or subsidiaries listed below, provide the following:
 - a. Account registration information
 - b. Account agreements, including letters of intent or letters of understanding
 - c. Customer address book
 - d. Customer profile
 - e. Customer contact information
 - f. Available reports
 - g. Any and all records reflecting billing and payment for any services provided by FedEx Ground to SML. Such records should include invoices, statements, and documents related to payment.
 - h. Any and all records reflecting courier service provided to SML, including Airbills, Waybills, bills of lading, internal records regarding courier information, billing records associated with the courier service, courier service label, proof of delivery, and any other information identifying the recipient and the recipient's address, telephone number or other contact information
 - i. Records of communications with the customer
2. For each FedEx Ground shipment from a location in the United States to SML or its affiliates and subsidiaries listed below or to the SML addresses listed below, provide the following:
 - a. Account information for the shipper, including account registration information, customer address book, customer profile information, customer contact information, records of payment cards or financial accounts associated with the account, and any records of communications with the customer
 - b. Any and all records reflecting the method and source of payment for the shipment
 - c. Any shipment records identifying the shipper, including Airbills, Waybills, bills of lading, internal records regarding courier information, billing records associated with the courier service, courier service label, and any other information containing the shipper's address, telephone number or other contact information

"SML" is defined as Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates, which includes Sovereign Management Legal, Sovereign Management & Legal, Ltd, Sovereign Management & Legal Limited, Sovereign Management & Legal, S.A., Sovereign Management Services, Sovereign Management Services, S.A., Sovereign Management & Legal Realty, Sovereign Gold Card,

In the Matter of Tax Liability of John Does
Attachment to Form 2039 Summons to FedEx Ground Package System, Inc. a.k.a.
FedEx Ground

COPY

Sovereign Law Center, Sovereign Realty, International Corporate Services Ltd., Belize
Offshore Solutions Limited, and Atlas Corporate & Trust Limited.

The SML addresses are:

#1 Mapp Street, Belize City, Belize
63 Hoi Yuen Rd., Ste 606, Kwun Tong, Hong Kong
2250 NW 114th Ave, Unit 1P, Miami, FL 33172-3652
P.O. Box 025724, PTY 6063, Miami, FL 33102-5724
Apdo 0819-10660, Panama City, Panama
The Century Tower, 20th Floor, Suite 2007, Avenida Ricardo J. Alfaro,
Panama City
Pacific Sky/Sun Towers Lobby Level, Suite No. 1, Punta Paitilla, Ramon
Hurtado Avenue, Panama, Panama

"Courier service" is defined as any FedEx Ground shipment to or from SML and a
U.S. address, or billed against SML's account(s) with FedEx Ground.

Instructions for Production of Electronically Stored Records

If the records requested herein are stored in your record retention systems
and/or by your technology, data, or other service providers, it should be produced on
electronic media according to the following criteria:

I. Text Data

- A. Text data relating to transactions shall be produced within a data file:
 - 1. Using a delimited ASCII text data format; or
 - 2. Using software that can export to a commonly readable, nonproprietary file format without loss of data.
 - 3. If text data is stored in a format readable only by proprietary software, provide a copy of software necessary to enable the data to be retrieved, manipulated, and processed by a computer.
- B. Text data files relating to transactions shall include field descriptions (e.g., account number, date/time, description, payee/payor, check number, item identifier, amount, etc.)

II. Image Data

- A. Image data shall be produced in graphic data files in a commonly readable, nonproprietary format with the highest image quality maintained.
- B. Image data of items associated with transactions (e.g., cancelled checks, deposit slips, etc.) shall be:
 - 1. Produced in individual graphic data files with any associated endorsements;
 - 2. Linked to corresponding text data by a unique identifier; and

In the Matter of Tax Liability of John Does
Attachment to Form 2039 Summons to FedEx Ground Package System, Inc. a.k.a.
FedEx Ground

COPY

3. Image collections, OCR (optical character recognition), and image linking files must be produced in a Concordance load-ready format, ideally in a Concordance database.

III. Encryption/Authentication

- A. Electronically stored records may be transmitted in an encrypted container. Decryption keys and/or passwords shall be produced separately at the time the data is produced.
- B. Authentication, such as hash coding, may be set by agreement.
- C. Affidavits or certificates of authenticity for the records may be included as part of the electronic production.

If you have questions about the format in which to provide electronic data, please contact Revenue Agent Randy Hooczko by telephone at (626) 927-1343.

Before you produce any of the above-listed records, please contact Revenue Agent Hooczko by telephone at (626) 927-1343 to discuss the terms of compliance.

The personal appearance requirement is waived when the requested information is furnished by mail to Revenue Agent Hooczko at 9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828.

EXHIBIT C



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: DHL Express

At: 501 10th Avenue, New York, NY 10018

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Do not write in this space

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.
(year)
Issued under authority of the Internal Revenue Code this _____ day of _____, 2014
(year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Original — to be kept by IRS



Service of Summons, Notice and Recordkeeper Certificates

(Pursuant to section 7603, Internal Revenue Code)

I certify that I served the summons shown on the front of this form on:

Date	Time
------	------

How Summons Was Served

1. ☐ I certify that I handed a copy of the summons, which contained the attestation required by § 7603, to the person to whom it was directed.
2. ☐ I certify that I left a copy of the summons, which contained the attestation required by § 7603, at the last and usual place of abode of the person to whom it was directed. I left the copy with the following person (if any): _____
3. ☐ I certify that I sent a copy of the summons, which contained the attestation required by § 7603, by certified or registered mail to the last known address of the person to whom it was directed, that person being a third-party recordkeeper within the meaning of § 7603(b). I sent the summons to the following address: _____
501 10th Avenue, New York, NY 10018

Signature	Title
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4. This certificate is made to show compliance with IRC Section 7609. This certificate does not apply to summonses served on any officer or employee of the person to whose liability the summons relates nor to summonses in aid of collection, to determine the identity of a person having a numbered account or similar arrangement, or to determine

whether or not records of the business transactions or affairs of an identified person have been made or kept.

I certify that, within 3 days of serving the summons, I gave notice (Part D of Form 2039) to the person named below on the date and in the manner indicated.

Date of giving Notice: _____ Time: _____

Name of Noticee: _____

Address of Noticee (if mailed): _____

How Notice Was Given

- | | |
|---|---|
| <input type="checkbox"/> I gave notice by certified or registered mail to the last known address of the noticee. | <input type="checkbox"/> I gave notice by handing it to the noticee. |
| <input type="checkbox"/> I left the notice at the last and usual place of abode of the noticee. I left the copy with the following person (if any). | <input type="checkbox"/> In the absence of a last known address of the noticee, I left the notice with the person summoned. |
| | <input checked="" type="checkbox"/> No notice is required. |

Signature	Title
-----------	-------

I certify that the period prescribed for beginning a proceeding to quash this summons has expired and that no such proceeding was instituted or that the noticee consents to the examination.

Signature	Title
-----------	-------



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: DHL Express

At: 501 10th Avenue, New York, NY 10018

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Attestation

I hereby certify that I have examined and compared this copy of the summons with the original and that it is a true and correct copy of the original.

Signature of IRS officer serving the summons

Title

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev.12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.
(year)
Issued under authority of the Internal Revenue Code this _____ day of _____, 2014
(year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Part A - to be given to person summoned



Provisions of the Internal Revenue Code

Sec. 7602. Examination of books and witnesses

(a) Authority to Summon, etc. - For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized -

- (1) To examine any books, papers, records, or other data which may be relevant or material to such inquiry.
- (2) To summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of account containing entries relating to the business of the person liable for tax or required to perform the act, or any other person the Secretary may deem proper, to appear before the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and
- (3) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry.

(b) Purpose may include inquiry into offense. - The purposes for which the Secretary may take any action described in paragraph (1), (2), or (3) of subsection (a) include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

(c) Notice of contact of third parties. -

- (1) General Notice. - An officer or employee of the Internal Revenue Service may not contact any person other than the taxpayer with respect to the determination or collection of the tax liability of such taxpayer without providing reasonable notice in advance to the taxpayer that contacts with persons other than the taxpayer may be made.
- (2) Notice of specific contacts. - The Secretary shall periodically provide to a taxpayer a record of persons contacted during such period by the Secretary with respect to the determination or collection of the tax liability of such taxpayer. Such record shall also be provided upon request of the taxpayer.
- (3) Exceptions. - This subsection shall not apply-
 - (A) to any contact which the taxpayer has authorized,
 - (B) if the Secretary determines for good cause shown that such notice would jeopardize collection of any tax or such notice may involve reprisal against any person, or
 - (C) with respect to any pending criminal investigation.

(d) No administrative summons when there is Justice Department referral. -

- (1) Limitation of authority. - No summons may be issued under this title, and the Secretary may not begin any action under section 7604 to enforce any summons, with respect to any person if a Justice Department referral is in effect with respect to such person.
- (2) Justice Department referral in effect. - For purposes of this subsection-
 - (A) In general. - A Justice Department referral is in effect with respect to any person if-
 - (i) the Secretary has recommended to the Attorney General a grand jury investigation of, or the criminal prosecution of, such person for any offense connected with the administration or enforcement of the internal revenue laws or
 - (ii) any request is made under section 6103(h)(3)(B) for the disclosure of any return or return information (within the meaning of section 6103(b)) relating to such person.
 - (B) Termination. - A Justice Department referral shall cease to be in effect with respect to a person when-
 - (i) the Attorney General notifies the Secretary, in writing, that -
 - (I) he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws,
 - (II) he will not authorize a grand jury investigation of such person with respect to such an offense, or
 - (III) he will discontinue such a grand jury investigation.
 - (ii) a final disposition has been made of any criminal proceeding pertaining to the enforcement of the internal revenue laws which was instituted by the Attorney General against such person, or
 - (iii) the Attorney General notifies the Secretary, in writing, that he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws relating to the request described in sub paragraph (A)(i).
- (3) Taxable years, etc., treated separately. - For purposes of this subsection, each taxable period (or, if there is no taxable period, each taxable event) and each tax imposed by a separate chapter of this title shall be treated separately.

(e) Limitation on examination on unreported income. - The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income.

Authority to examine books and witness is also provided under sec. 6420 (e)(2) - Gasoline used on farms: sec. 6421(g)(2) - Gasoline used for certain nonhighway purposes by local transit systems, or sold for certain exempt purposes; and sec. 6427(j)(2) - Fuels not used for taxable purposes.

Sec. 7603. Service of summons

(a) In general. - A summons issued under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 shall be served by the Secretary, by an attested copy delivered in hand to the person to whom it is directed, or left at his last and usual place of abode; and the certificate of service signed by the person serving the summons shall be evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of books, papers, records, or other data, it shall be sufficient if such books, papers, records, or other data are described with reasonable certainty

(b) Service by mail to third-party recordkeepers. -

- (1) In general. - A summons referred to in subsection (a) for the production of books, papers, records, or other data by a third-party recordkeeper may also be served by certified or registered mail to the last known address of such recordkeeper.
- (2) Third party record keeper. - For purposes of paragraph (1), the term *third-party recordkeeper* means -
 - (A) any mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution chartered and supervised as a savings and loan or similar association under Federal or State law, any bank (as defined in section 581), or any credit union (within the meaning of section 501 (c)(14)(A));
 - (B) any consumer reporting agency (as defined under section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681 a(f));
 - (C) Any person extending credit through the use of credit cards or similar devices;
 - (D) any broker (as defined in section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4));
 - (E) any attorney;
 - (F) any accountant;
 - (G) any barter exchange (as defined in section 6045(c)(3));
 - (H) any regulated investment company (as defined in section 851) and any agent of such regulated investment company when acting as an agent thereof;
 - (I) any enrolled agent; and
 - (J) any owner or developer of a computer software source code (as defined in section 7612(d)(2)). Subparagraph (J) shall apply only with respect to a summons requiring the production of the source code referred to in subparagraph (J) or the program and data described in section 7612(b)(1)(A)(ii) to which source code relates.

Sec. 7604. Enforcement of summons

(a) Jurisdiction of District Court. - If any person is summoned under the internal revenue laws to appear, to testify, or to produce books, papers, records, or other data, the United States district court for the district in which such person resides or is found shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, records, or other data.

(b) Enforcement. - Whenever any person summoned under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, the Secretary may apply to the judge of the district court or to a United States Commissioner¹ for the district within which the person so summoned resides or is found for an attachment against him as for a contempt, it shall be the duty of the judge or commissioner¹ to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or the United States Commissioner¹ shall have power to make such order as he shall deem proper, not inconsistent with the law for the punishment of contempts, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

* * * * *

Sec. 7605. Time and place of examination

(a) Time and place. - The time and place of examination pursuant to the provisions of section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 shall be such time and place as may be fixed by the Secretary and as are reasonable under the circumstances. In the case of a summons under authority of paragraph (2) of section 7602, or under the corresponding authority of section 6420(e)(2), 6421 (g)(2) or 6427(j)(2), the date fixed for appearance before the Secretary shall not be less than 10 days from the date of the summons.

¹Or United States magistrate, pursuant to P. L. 90-578.

Sec. 7610. Fees and costs for witnesses

- (a) In general. - The secretary shall by regulations establish the rates and conditions under which payment may be made of -
 - (1) fees and mileage to persons who are summoned to appear before the Secretary, and
 - (2) reimbursement for such costs that are reasonably necessary which have been directly incurred in searching for, reproducing, or transporting books, papers, records, or other data required to be produced by summons.
- (b) Exceptions. - No payment may be made under paragraph (2) of subsection (a) if -
 - (1) the person with respect to whose liability the summons is issued has a proprietary interest in the books, papers, records or other data required to be produced, or
 - (2) the person summoned is the person with respect to whose liability the summons is issued or an officer, employee, agent, accountant, or attorney of such person who, at the time the summons is served, is acting as such.
- (c) Summons to which section applies. - This section applies with respect to any summons authorized under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602.

Sec. 7210. Failure to obey summons

Any person who, being duly summoned to appear to testify, or to appear and produce books, accounts, records, memoranda or other papers, as required under sections 6420(e)(2), 6421(g)(2), 6427(j)(2), 7602, 7603, and 7604(b), neglects to appear or to produce such books, accounts, records memoranda, or other papers, shall, upon conviction thereof, be fined not more than \$1,000, or imprisoned not more than 1 year, or both, together with costs of prosecution.

Documents

Please provide the below documents for the period January 1, 2005 through December 31, 2013.

1. For each account relationship between DHL Express and SML and its affiliates or subsidiaries listed below, provide the following:
 - a. Account registration information
 - b. Account agreements, including letters of intent or letters of understanding
 - c. Customer address book
 - d. Customer profile
 - e. Customer contact information
 - f. Available reports
 - g. Any and all records reflecting billing and payment for any services provided by DHL Express to SML. Such records should include invoices, statements, and documents related to payment.
 - h. Any and all records reflecting courier service provided to SML, including Airbills, Waybills, bills of lading, internal records regarding courier information, billing records associated with the courier service, courier service label, proof of delivery, and any other information identifying the recipient and the recipient's address, telephone number or other contact information
 - i. Records of communications with the customer
2. For each DHL Express shipment from a location in the United States to SML or its affiliates and subsidiaries listed below or to the SML addresses listed below, provide the following:
 - a. Account information for the shipper, including account registration information, customer address book, customer profile information, customer contact information, records of payment cards or financial accounts associated with the account, and any records of communications with the customer
 - b. Any and all records reflecting the method and source of payment for the shipment
 - c. Any shipment records identifying the shipper, including Airbills, Waybills, bills of lading, internal records regarding courier information, billing records associated with the courier service, courier service label, and any other information containing the shipper's address, telephone number or other contact information

"SML" is defined as Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates, which includes Sovereign Management Legal, Sovereign Management & Legal, Ltd, Sovereign Management & Legal Limited, Sovereign Management & Legal, S.A., Sovereign Management Services, Sovereign Management Services, S.A., Sovereign Management & Legal Realty, Sovereign Gold Card,

In the Matter of Tax Liability of John Does
Attachment to Form 2039 Summons to DHL Express

COPY

Sovereign Law Center, Sovereign Realty, International Corporate Services Ltd., Belize
Offshore Solutions Limited, and Atlas Corporate & Trust Limited.

The SML addresses are:

#1 Mapp Street, Belize City, Belize
63 Hoi Yuen Rd., Ste 606, Kwun Tong, Hong Kong
2250 NW 114th Ave, Unit 1P, Miami, FL 33172-3652
P.O. Box 025724, PTY 6063, Miami, FL 33102-5724
Apdo 0819-10660, Panama City, Panama
The Century Tower, 20th Floor, Suite 2007, Avenida Ricardo J. Alfaro,
Panama City
Pacific Sky/Sun Towers Lobby Level, Suite No. 1, Punta Paitilla, Ramon
Hurtado Avenue, Panama, Panama

"Courier service" is defined as any DHL Express shipment to or from SML and a
U.S. address, or billed against SML's account(s) with DHL Express.

Instructions for Production of Electronically Stored Records

If the records requested herein are stored in your record retention systems
and/or by your technology, data, or other service providers, it should be produced on
electronic media according to the following criteria:

I. Text Data

- A. Text data relating to transactions shall be produced within a data file:
1. Using a delimited ASCII text data format; or
 2. Using software that can export to a commonly readable, nonproprietary file format without loss of data.
 3. If text data is stored in a format readable only by proprietary software, provide a copy of software necessary to enable the data to be retrieved, manipulated, and processed by a computer.
- B. Text data files relating to transactions shall include field descriptions (e.g., account number, date/time, description, payee/payor, check number, item identifier, amount, etc.)

II. Image Data

- A. Image data shall be produced in graphic data files in a commonly readable, nonproprietary format with the highest image quality maintained.
- B. Image data of items associated with transactions (e.g., cancelled checks, deposit slips, etc.) shall be:
1. Produced in individual graphic data files with any associated endorsements;
 2. Linked to corresponding text data by a unique identifier; and

In the Matter of Tax Liability of John Does
Attachment to Form 2039 Summons to DHL Express

3. Image collections, OCR (optical character recognition), and image linking files must be produced in a Concordance load-ready format, ideally in a Concordance database.

III. Encryption/Authentication

- A. Electronically stored records may be transmitted in an encrypted container. Decryption keys and/or passwords shall be produced separately at the time the data is produced.
- B. Authentication, such as hash coding, may be set by agreement.
- C. Affidavits or certificates of authenticity for the records may be included as part of the electronic production.

If you have questions about the format in which to provide electronic data, please contact Revenue Agent Randy Hooczko by telephone at (626) 927-1343.

Before you produce any of the above-listed records, please contact Revenue Agent Hooczko by telephone at (626) 927-1343 to discuss the terms of compliance.

The personal appearance requirement is waived when the requested information is furnished by mail to Revenue Agent Hooczko at 9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828.

EXHIBIT D



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: United Parcel Service, Inc.

At: 601 W. 43rd Street, New York, NY 10036

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Do not write in this space

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.
(year)
Issued under authority of the Internal Revenue Code this _____ day of _____, 2014.
(year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Original — to be kept by IRS



Service of Summons, Notice and Recordkeeper Certificates

(Pursuant to section 7603, Internal Revenue Code)

I certify that I served the summons shown on the front of this form on:

Date	Time
------	------

How Summons Was Served

1. ☐ I certify that I handed a copy of the summons, which contained the attestation required by § 7603, to the person to whom it was directed.
2. ☐ I certify that I left a copy of the summons, which contained the attestation required by § 7603, at the last and usual place of abode of the person to whom it was directed. I left the copy with the following person (if any): _____
3. ☐ I certify that I sent a copy of the summons, which contained the attestation required by § 7603, by certified or registered mail to the last known address of the person to whom it was directed, that person being a third-party recordkeeper within the meaning of § 7603(b). I sent the summons to the following address: _____
601 W. 43rd Street, New York, NY 10036

Signature	Title
-----------	-------

4. This certificate is made to show compliance with IRC Section 7609. This certificate does not apply to summonses served on any officer or employee of the person to whose liability the summons relates nor to summonses in aid of collection, to determine the identity of a person having a numbered account or similar arrangement, or to determine

whether or not records of the business transactions or affairs of an identified person have been made or kept.

I certify that, within 3 days of serving the summons, I gave notice (Part D of Form 2039) to the person named below on the date and in the manner indicated.

Date of giving Notice: _____ Time: _____

Name of Noticee: _____

Address of Noticee (if mailed): _____

How Notice Was Given

- | | |
|---|---|
| <input type="checkbox"/> I gave notice by certified or registered mail to the last known address of the noticee. | <input type="checkbox"/> I gave notice by handing it to the noticee. |
| <input type="checkbox"/> I left the notice at the last and usual place of abode of the noticee. I left the copy with the following person (if any). | <input type="checkbox"/> In the absence of a last known address of the noticee, I left the notice with the person summoned. |
| | <input checked="" type="checkbox"/> No notice is required. |

Signature	Title
-----------	-------

I certify that the period prescribed for beginning a proceeding to quash this summons has expired and that no such proceeding was instituted or that the noticee consents to the examination.

Signature	Title
-----------	-------



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: United Parcel Service, Inc.

At: 601 W. 43rd Street, New York, NY 10036

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Attestation

I hereby certify that I have examined and compared this copy of the summons with the original and that it is a true and correct copy of the original.

Signature of IRS officer serving the summons

Title

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.
(year)
Issued under authority of the Internal Revenue Code this _____ day of _____, 2014
(year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Part A - to be given to person summoned



Provisions of the Internal Revenue Code

Sec. 7602. Examination of books and witnesses

(a) Authority to Summon, etc. - For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized -

- (1) To examine any books, papers, records, or other data which may be relevant or material to such inquiry.
- (2) To summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of account containing entries relating to the business of the person liable for tax or required to perform the act, or any other person the Secretary may deem proper, to appear before the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and
- (3) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry.

(b) Purpose may include inquiry into offense. - The purposes for which the Secretary may take any action described in paragraph (1), (2), or (3) of subsection (a) include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

(c) Notice of contact of third parties. -

- (1) General Notice. - An officer or employee of the Internal Revenue Service may not contact any person other than the taxpayer with respect to the determination or collection of the tax liability of such taxpayer without providing reasonable notice in advance to the taxpayer that contacts with persons other than the taxpayer may be made.
- (2) Notice of specific contacts. - The Secretary shall periodically provide to a taxpayer a record of persons contacted during such period by the Secretary with respect to the determination or collection of the tax liability of such taxpayer. Such record shall also be provided upon request of the taxpayer.
- (3) Exceptions. - This subsection shall not apply-
 - (A) to any contact which the taxpayer has authorized,
 - (B) if the Secretary determines for good cause shown that such notice would jeopardize collection of any tax or such notice may involve reprisal against any person, or
 - (C) with respect to any pending criminal investigation.

(d) No administrative summons when there is Justice Department referral.-

- (1) Limitation of authority. - No summons may be issued under this title, and the Secretary may not begin any action under section 7604 to enforce any summons, with respect to any person if a Justice Department referral is in effect with respect to such person.
- (2) Justice Department referral in effect. - For purposes of this subsection-
 - (A) In general. - A Justice Department referral is in effect with respect to any person if-
 - (i) the Secretary has recommended to the Attorney General a grand jury investigation of, or the criminal prosecution of, such person for any offense connected with the administration or enforcement of the internal revenue laws or
 - (ii) any request is made under section 6103(h)(3)(B) for the disclosure of any return or return information (within the meaning of section 6103(b)) relating to such person.
 - (B) Termination. - A Justice Department referral shall cease to be in effect with respect to a person when-
 - (i) the Attorney General notifies the Secretary, in writing, that -
 - (I) he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws,
 - (II) he will not authorize a grand jury investigation of such person with respect to such an offense, or
 - (III) he will discontinue such a grand jury investigation.
 - (ii) a final disposition has been made of any criminal proceeding pertaining to the enforcement of the internal revenue laws which was instituted by the Attorney General against such person, or
 - (iii) the Attorney General notifies the Secretary, in writing, that he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws relating to the request described in sub paragraph (A)(i).
- (3) Taxable years, etc., treated separately. - For purposes of this subsection, each taxable period (or, if there is no taxable period, each taxable event) and each tax imposed by a separate chapter of this title shall be treated separately.

(e) Limitation on examination on unreported income. - The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income.

Authority to examine books and witness is also provided under sec. 6420 (e)(2) - Gasoline used on farms: sec. 6421(g)(2) - Gasoline used for certain nonhighway purposes by local transit systems, or sold for certain exempt purposes; and sec. 6427(j)(2) - Fuels not used for taxable purposes.

Sec. 7603. Service of summons

(a) In general. - A summons issued under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 shall be served by the Secretary, by an attested copy delivered in hand to the person to whom it is directed, or left at his last and usual place of abode, and the certificate of service signed by the person serving the summons shall be evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of books, papers, records, or other data, it shall be sufficient if such books, papers, records, or other data are described with reasonable certainty

(b) Service by mail to third-party recordkeepers. -

- (1) In general. - A summons referred to in subsection (a) for the production of books, papers, records, or other data by a third-party recordkeeper may also be served by certified or registered mail to the last known address of such recordkeeper.
- (2) Third party record keeper. - For purposes of paragraph (1), the term *third-party recordkeeper* means -
 - (A) any mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution chartered and supervised as a savings and loan or similar association under Federal or State law, any bank (as defined in section 581), or any credit union (within the meaning of section 501 (c)(14)(A));
 - (B) any consumer reporting agency (as defined under section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681 a(f));
 - (C) Any person extending credit through the use of credit cards or similar devices;
 - (D) any broker (as defined in section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4));
 - (E) any attorney;
 - (F) any accountant;
 - (G) any barter exchange (as defined in section 6045(c)(3));
 - (H) any regulated investment company (as defined in section 851) and any agent of such regulated investment company when acting as an agent thereof;
 - (I) any enrolled agent; and
 - (J) any owner or developer of a computer software source code (as defined in section 7612(d)(2)). Subparagraph (J) shall apply only with respect to a summons requiring the production of the source code referred to in subparagraph (J) or the program and data described in section 7612(b)(1)(A)(ii) to which source code relates.

Sec. 7604. Enforcement of summons

(a) Jurisdiction of District Court. - If any person is summoned under the internal revenue laws to appear, to testify, or to produce books, papers, records, or other data, the United States district court for the district in which such person resides or is found shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, records, or other data.

(b) Enforcement. - Whenever any person summoned under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, the Secretary may apply to the judge of the district court or to a United States Commissioner' for the district within which the person so summoned resides or is found for an attachment against him as for a contempt, it shall be the duty of the judge or commissioner' to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or the United States Commissioner' shall have power to make such order as he shall deem proper, not inconsistent with the law for the punishment of contempts, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

* * * * *

Sec. 7605. Time and place of examination

(a) Time and place. - The time and place of examination pursuant to the provisions of section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 shall be such time and place as may be fixed by the Secretary and as are reasonable under the circumstances. In the case of a summons under authority of paragraph (2) of section 7602, or under the corresponding authority of section 6420(e)(2), 6421(g)(2) or 6427(j)(2), the date fixed for appearance before the Secretary shall not be less than 10 days from the date of the summons.

'Or United States magistrate, pursuant to P L. 90-578.

Sec. 7610. Fees and costs for witnesses

(a) In general. - The secretary shall by regulations establish the rates and conditions under which payment may be made of -

- (1) fees and mileage to persons who are summoned to appear before the Secretary, and
- (2) reimbursement for such costs that are reasonably necessary which have been directly incurred in searching for, reproducing, or transporting books, papers, records, or other data required to be produced by summons.

(b) Exceptions. - No payment may be made under paragraph (2) of subsection (a) if -

- (1) the person with respect to whose liability the summons is issued has a proprietary interest in the books, papers, records or other data required to be produced, or
- (2) the person summoned is the person with respect to whose liability the summons is issued or an officer, employee, agent, accountant, or attorney of such person who, at the time the summons is served, is acting as such.

(c) Summons to which section applies. - This section applies with respect to any summons authorized under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602.

Sec. 7210. Failure to obey summons

Any person who, being duly summoned to appear to testify, or to appear and produce books, accounts, records, memoranda or other papers, as required under sections 6420(e)(2), 6421(g)(2), 6427(j)(2), 7602, 7603, and 7604(b), neglects to appear or to produce such books, accounts, records memoranda, or other papers, shall, upon conviction thereof, be fined not more than \$1,000, or imprisoned not more than 1 year, or both, together with costs of prosecution.

* * * * *

Documents

Please provide the below documents for the period January 1, 2005 through December 31, 2013.

1. For each account relationship between UPS and SML and its affiliates or subsidiaries listed below, provide the following:
 - a. Account registration information
 - b. Account agreements, including letters of intent or letters of understanding
 - c. Customer address book
 - d. Customer profile
 - e. Customer contact information
 - f. Available reports
 - g. Any and all records reflecting billing and payment for any services provided by UPS to SML. Such records should include invoices, statements, and documents related to payment.
 - h. Any and all records reflecting courier service provided to SML, including Airbills, Waybills, bills of lading, internal records regarding courier information, billing records associated with the courier service, courier service label, proof of delivery, and any other information identifying the recipient and the recipient's address, telephone number or other contact information
 - i. Records of communications with the customer
2. For each UPS shipment from a location in the United States to SML or its affiliates and subsidiaries listed below or to the SML addresses listed below, provide the following:
 - a. Account information for the shipper, including account registration information, customer address book, customer profile information, customer contact information, records of payment cards or financial accounts associated with the account, and any records of communications with the customer
 - b. Any and all records reflecting the method and source of payment for the shipment
 - c. Any shipment records identifying the shipper, including Airbills, Waybills, bills of lading, internal records regarding courier information, billing records associated with the courier service, courier service label, and any other information containing the shipper's address, telephone number or other contact information

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Sovereign Law Center, Sovereign Realty, International Corporate Services Ltd., Belize
Offshore Solutions Limited, and Atlas Corporate & Trust Limited.

The SML addresses are:

#1 Mapp Street, Belize City, Belize
63 Hoi Yuen Rd., Ste 606, Kwun Tong, Hong Kong
2250 NW 114th Ave, Unit 1P, Miami, FL 33172-3652
P.O. Box 025724, PTY 6063, Miami, FL 33102-5724
Apdo 0819-10660, Panama City, Panama
The Century Tower, 20th Floor, Suite 2007, Avenida Ricardo J. Alfaro,
Panama City
Pacific Sky/Sun Towers Lobby Level, Suite No. 1, Punta Paitilla, Ramon
Hurtado Avenue, Panama, Panama

"Courier service" is defined as any UPS shipment to or from SML and a U.S.
address, or billed against SML's account(s) with UPS.

Instructions for Production of Electronically Stored Records

If the records requested herein are stored in your record retention systems
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electronic media according to the following criteria:

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 - 1. Using a delimited ASCII text data format; or
 - 2. Using software that can export to a commonly readable, nonproprietary file format without loss of data.
 - 3. If text data is stored in a format readable only by proprietary software, provide a copy of software necessary to enable the data to be retrieved, manipulated, and processed by a computer.
- B. Text data files relating to transactions shall include field descriptions (e.g., account number, date/time, description, payee/payor, check number, item identifier, amount, etc.)

II. Image Data

- A. Image data shall be produced in graphic data files in a commonly readable, nonproprietary format with the highest image quality maintained.
- B. Image data of items associated with transactions (e.g., cancelled checks, deposit slips, etc.) shall be:
 - 1. Produced in individual graphic data files with any associated endorsements;
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- A. Electronically stored records may be transmitted in an encrypted container. Decryption keys and/or passwords shall be produced separately at the time the data is produced.
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Before you produce any of the above-listed records, please contact Revenue Agent Hooczko by telephone at (626) 927-1343 to discuss the terms of compliance.

The personal appearance requirement is waived when the requested information is furnished by mail to Revenue Agent Hooczko at 9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828.

EXHIBIT E



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: Western Union Financial Services, Inc.

At: 1440 Broadway Front 3, New York, NY 10018-2301

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Do not write in this space

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.
(year)
Issued under authority of the Internal Revenue Code this _____ day of _____, 2014
(year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Original — to be kept by IRS



Service of Summons, Notice and Recordkeeper Certificates

(Pursuant to section 7603, Internal Revenue Code)

COPY

I certify that I served the summons shown on the front of this form on:

Date	Time
------	------

How Summons Was Served

1. ☐ I certify that I handed a copy of the summons, which contained the attestation required by § 7603, to the person to whom it was directed.
2. ☐ I certify that I left a copy of the summons, which contained the attestation required by § 7603, at the last and usual place of abode of the person to whom it was directed. I left the copy with the following person (if any): _____
3. ☐ I certify that I sent a copy of the summons, which contained the attestation required by § 7603, by certified or registered mail to the last known address of the person to whom it was directed, that person being a third-party recordkeeper within the meaning of § 7603(b). I sent the summons to the following address: _____
1440 Broadway Front 3, New York, NY 10018-2301

Signature	Title
-----------	-------

4. This certificate is made to show compliance with IRC Section 7609. This certificate does not apply to summonses served on any officer or employee of the person to whose liability the summons relates nor to summonses in aid of collection, to determine the identity of a person having a numbered account or similar arrangement, or to determine

whether or not records of the business transactions or affairs of an identified person have been made or kept.

I certify that, within 3 days of serving the summons, I gave notice (Part D of Form 2039) to the person named below on the date and in the manner indicated.

Date of giving Notice: _____ Time: _____

Name of Noticee: _____

Address of Noticee (if mailed): _____

How Notice Was Given

- | | |
|---|---|
| <input type="checkbox"/> I gave notice by certified or registered mail to the last known address of the noticee. | <input type="checkbox"/> I gave notice by handing it to the noticee. |
| <input type="checkbox"/> I left the notice at the last and usual place of abode of the noticee. I left the copy with the following person (if any). | <input type="checkbox"/> In the absence of a last known address of the noticee, I left the notice with the person summoned. |
| | <input checked="" type="checkbox"/> No notice is required. |

Signature	Title
-----------	-------

I certify that the period prescribed for beginning a proceeding to quash this summons has expired and that no such proceeding was instituted or that the noticee consents to the examination.

Signature	Title
-----------	-------



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: Western Union Financial Services, Inc.

At: 1440 Broadway Front 3, New York, NY 10018-2301

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Attestation

I hereby certify that I have examined and compared this copy of the summons with the original and that it is a true and correct copy of the original.

Signature of IRS officer serving the summons

Title

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

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Form 2039 (Rev.12-2001)
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on the _____ day of _____, 2014 at 10:00 o'clock a m.
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Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Part A - to be given to person summoned



Provisions of the Internal Revenue Code

Sec. 7602. Examination of books and witnesses

(a) Authority to Summon, etc. - For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized -

- (1) To examine any books, papers, records, or other data which may be relevant or material to such inquiry.
- (2) To summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of account containing entries relating to the business of the person liable for tax or required to perform the act, or any other person the Secretary may deem proper, to appear before the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and
- (3) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry.

(b) Purpose may include inquiry into offense. - The purposes for which the Secretary may take any action described in paragraph (1), (2), or (3) of subsection (a) include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

(c) Notice of contact of third parties. -

- (1) General Notice. - An officer or employee of the Internal Revenue Service may not contact any person other than the taxpayer with respect to the determination or collection of the tax liability of such taxpayer without providing reasonable notice in advance to the taxpayer that contacts with persons other than the taxpayer may be made.
- (2) Notice of specific contacts. - The Secretary shall periodically provide to a taxpayer a record of persons contacted during such period by the Secretary with respect to the determination or collection of the tax liability of such taxpayer. Such record shall also be provided upon request of the taxpayer.
- (3) Exceptions. - This subsection shall not apply-
 - (A) to any contact which the taxpayer has authorized,
 - (B) if the Secretary determines for good cause shown that such notice would jeopardize collection of any tax or such notice may involve reprisal against any person, or
 - (C) with respect to any pending criminal investigation.

(d) No administrative summons when there is Justice Department referral. -

- (1) Limitation of authority. - No summons may be issued under this title, and the Secretary may not begin any action under section 7604 to enforce any summons, with respect to any person if a Justice Department referral is in effect with respect to such person.
- (2) Justice Department referral in effect. - For purposes of this subsection-
 - (A) In general. - A Justice Department referral is in effect with respect to any person if-
 - (i) the Secretary has recommended to the Attorney General a grand jury investigation of, or the criminal prosecution of, such person for any offense connected with the administration or enforcement of the internal revenue laws or
 - (ii) any request is made under section 6103(h)(3)(B) for the disclosure of any return or return information (within the meaning of section 6103(b)) relating to such person.
 - (B) Termination. - A Justice Department referral shall cease to be in effect with respect to a person when-
 - (i) the Attorney General notifies the Secretary, in writing, that -
 - (I) he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws,
 - (II) he will not authorize a grand jury investigation of such person with respect to such an offense, or
 - (III) he will discontinue such a grand jury investigation.
 - (ii) a final disposition has been made of any criminal proceeding pertaining to the enforcement of the internal revenue laws which was instituted by the Attorney General against such person, or
 - (iii) the Attorney General notifies the Secretary, in writing, that he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws relating to the request described in sub paragraph (A)(i).
- (3) Taxable years, etc., treated separately. - For purposes of this subsection, each taxable period (or, if there is no taxable period, each taxable event) and each tax imposed by a separate chapter of this title shall be treated separately.

(e) Limitation on examination on unreported income. - The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income.

Authority to examine books and witness is also provided under sec. 6420 (e)(2) - Gasoline used on farms: sec. 6421(g)(2) - Gasoline used for certain nonhighway purposes by local transit systems, or sold for certain exempt purposes; and sec. 6427(j)(2) - Fuels not used for taxable purposes.

Sec. 7603. Service of summons

(a) In general - A summons issued under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 shall be served by the Secretary, by an attested copy delivered in hand to the person to whom it is directed, or left at his last and usual place of abode; and the certificate of service signed by the person serving the summons shall be evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of books, papers, records, or other data, it shall be sufficient if such books, papers, records, or other data are described with reasonable certainty

(b) Service by mail to third-party recordkeepers. -

- (1) In general. - A summons referred to in subsection (a) for the production of books, papers, records, or other data by a third-party recordkeeper may also be served by certified or registered mail to the last known address of such recordkeeper.
- (2) Third party record keeper. - For purposes of paragraph (1), the term *third-party recordkeeper* means -
 - (A) any mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution chartered and supervised as a savings and loan or similar association under Federal or State law, any bank (as defined in section 581), or any credit union (within the meaning of section 501 (c)(14)(A));
 - (B) any consumer reporting agency (as defined under section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681 a(f)));
 - (C) Any person extending credit through the use of credit cards or similar devices;
 - (D) any broker (as defined in section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4));
 - (E) any attorney;
 - (F) any accountant;
 - (G) any barter exchange (as defined in section 6045(c)(3));
 - (H) any regulated investment company (as defined in section 851) and any agent of such regulated investment company when acting as an agent thereof;
 - (I) any enrolled agent; and
 - (J) any owner or developer of a computer software source code (as defined in section 7612(d)(2)). Subparagraph (J) shall apply only with respect to a summons requiring the production of the source code referred to in subparagraph (J) or the program and data described in section 7612(b)(1)(A)(ii) to which source code relates.

Sec. 7604. Enforcement of summons

(a) Jurisdiction of District Court. - If any person is summoned under the internal revenue laws to appear, to testify, or to produce books, papers, records, or other data, the United States district court for the district in which such person resides or is found shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, records, or other data.

(b) Enforcement. - Whenever any person summoned under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, the Secretary may apply to the judge of the district court or to a United States Commissioner' for the district within which the person so summoned resides or is found for an attachment against him as for a contempt, it shall be the duty of the judge or commissioner' to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or the United States Commissioner' shall have power to make such order as he shall deem proper, not inconsistent with the law for the punishment of contempts, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

* * * * *

Sec. 7605. Time and place of examination

(a) Time and place. - The time and place of examination pursuant to the provisions of section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 shall be such time and place as may be fixed by the Secretary and as are reasonable under the circumstances. In the case of a summons under authority of paragraph (2) of section 7602, or under the corresponding authority of section 6420(e)(2), 6421 (g)(2) or 6427(j)(2), the date fixed for appearance before the Secretary shall not be less than 10 days from the date of the summons.

'Or United States magistrate, pursuant to P. L. 90-578.

Sec. 7610. Fees and costs for witnesses

(a) In general. - The secretary shall by regulations establish the rates and conditions under which payment may be made of -

- (1) fees and mileage to persons who are summoned to appear before the Secretary, and
- (2) reimbursement for such costs that are reasonably necessary which have been directly incurred in searching for, reproducing, or transporting books, papers, records, or other data required to be produced by summons.

(b) Exceptions. - No payment may be made under paragraph (2) of subsection (a) if -

- (1) the person with respect to whose liability the summons is issued has a proprietary interest in the books, papers, records or other data required to be produced, or
- (2) the person summoned is the person with respect to whose liability the summons is issued or an officer, employee, agent, accountant, or attorney of such person who, at the time the summons is served, is acting as such.

(c) Summons to which section applies. - This section applies with respect to any summons authorized under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602.

Sec. 7210. Failure to obey summons

Any person who, being duly summoned to appear to testify, or to appear and produce books, accounts, records, memoranda or other papers, as required under sections 6420(e)(2), 6421(g)(2), 6427(j)(2), 7602, 7603, and 7604(b), neglects to appear or to produce such books, accounts, records memoranda, or other papers, shall, upon conviction thereof, be fined not more than \$1,000, or imprisoned not more than 1 year, or both, together with costs of prosecution.

COPY

Documents

For the period January 1, 2005 through December 31, 2013, please provide any and all records relating to each funds transfer where any of SML entities, individuals, or addresses identified below was a party (sender, receiver, beneficiary) or otherwise identified with respect to the transfer, and where any other party was in the United States.

Such records should include:

1. Account records for each party to the transfer, including account opening documents, know your customer or other account holder identification documentation, physical and e-mail addresses used by the account holder, other information obtained from the account holder as part of the registration process, information identifying bank accounts or credit cards linked to the Western Union account, billing and payment records for the account, and records of correspondence, e-mail, or other communications with the account holder.
2. Contact information for each party to the transfer.
3. Information identifying bank accounts of each party to the transfer who is not an account holder.
4. Money transfer payment requests, wiring instructions, or other documents prepared at the point of origin of the transfer showing the identity of the sender, the type of monetary instrument that the sender sent, and the identity of the recipient.
5. All records of the funding of the transfer, including records of direct debit or wire transfers used to fund the transfer.
6. Money transfer requests, delivery receipts or other documents prepared at the destination showing the identity of the individual receiving the funds, and the method of delivery, (i.e., electronic funds transfer, ACH, wire transfer, draft, or currency).

"SML entities" is defined as the following entity names:

1. Sovereign Management Legal
2. Sovereign Management & Legal, Ltd
3. Sovereign Management & Legal Limited
4. Sovereign Management & Legal, S.A.
5. Sovereign Management Services
6. Sovereign Management Services, S.A.
7. Sovereign Management & Legal Realty
8. Sovereign Gold Card
9. Sovereign Law Center
10. Sovereign Realty
11. International Corporate Services Ltd.

COPY

12. Belize Offshore Solutions Limited
13. Atlas Corporate & Trust Limited

"SML individuals" is identified as the following names:

1. Akinia Chi
2. Aknia Chi
3. Aknia Chi P.
4. Aknia Chi Pardo
5. Aknia Mayn Chi Pardo
6. Armando Barsallo
7. Christine Johnston
8. Daniel Isaac Chi
9. David Johnston
10. David Russell
11. Dwayne Skiles
12. Jorge Luis Barroso
13. Lia Johnston
14. Lance Skiles
15. Margo Quintanar de Calderon
16. Michelle Eversley
17. Michael Knott
18. Tesi De Tapia
19. Yadira Eversley

"SML addresses" are:

1. #1 Mapp Street, Belize City, Belize
2. 63 Hoi Yuen Rd., Ste 606, Kwun Tong, Hong Kong
3. 2250 NW 114th Ave, Unit 1P, Miami, FL 33172-3652
4. P.O. Box 025724, PTY 6063, Miami, FL 33102-5724
5. Apdo 0819-10660, Panama City, Panama
6. The Century Tower, 20th Floor, Suite 2007, Avenida Ricardo J. Alfaro, Panama City
7. Pacific Sky/Sun Towers Lobby Level, Suite No. 1, Punta Paitilla, Ramon Hurtado Avenue, Panama, Panama

Instructions for Production of Electronically Stored Records

If the records requested herein are stored in your record retention systems and/or by your technology, data, or other service providers, it should be produced on electronic media according to the following criteria:

COPY

I. Text Data

- A. Text data relating to transactions shall be produced within a data file:
 - 1. Using a delimited ASCII text data format; or
 - 2. Using software that can export to a commonly readable, nonproprietary file format without loss of data.
 - 3. If text data is stored in a format readable only by proprietary software, provide a copy of software necessary to enable the data to be retrieved, manipulated, and processed by a computer.
- B. Text data files relating to transactions shall include field descriptions (e.g., account number, date/time, description, payee/payor, check number, item identifier, amount, etc.)

II. Image Data

- A. Image data shall be produced in graphic data files in a commonly readable, nonproprietary format with the highest image quality maintained.
- B. Image data of items associated with transactions (e.g., cancelled checks, deposit slips, etc.) shall be:
 - 1. Produced in individual graphic data files with any associated endorsements;
 - 2. Linked to corresponding text data by a unique identifier; and
 - 3. Image collections, OCR (optical character recognition), and image linking files must be produced in a Concordance load-ready format, ideally in a Concordance database.

III. Encryption/Authentication

- A. Electronically stored records may be transmitted in an encrypted container. Decryption keys and/or passwords shall be produced separately at the time the data is produced.
- B. Authentication, such as hash coding, may be set by agreement.
- C. Affidavits or certificates of authenticity for the records may be included as part of the electronic production.

If you have questions about the format in which to provide electronic data, please contact Revenue Randy Agent Hooczko by telephone at (626) 927-1343.

Before you produce any of the above-listed records, please contact Revenue Agent Hooczko by telephone at (626) 927-1343 to discuss the terms of compliance.

The personal appearance requirement is waived when the requested information is furnished by mail to Revenue Agent Hooczko at 9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828.

EXHIBIT F



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: Federal Reserve Bank of New York

At: 33 Liberty Street, New York, NY 10045-0001

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

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Do not write in this space

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.

Issued under authority of the Internal Revenue Code this _____ day of _____, 2014.

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Original — to be kept by IRS



Service of Summons, Notice and Recordkeeper Certificates

(Pursuant to section 7603, Internal Revenue Code)

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3. ☐ I certify that I sent a copy of the summons, which contained the attestation required by § 7603, by certified or registered mail to the last known address of the person to whom it was directed, that person being a third-party recordkeeper within the meaning of § 7603(b). I sent the summons to the following address: _____
33 Liberty Street, New York, NY 10045-0001

Signature	Title
-----------	-------

4. This certificate is made to show compliance with IRC Section 7609. This certificate does not apply to summonses served on any officer or employee of the person to whose liability the summons relates nor to summonses in aid of collection, to determine the identity of a person having a numbered account or similar arrangement, or to determine

whether or not records of the business transactions or affairs of an identified person have been made or kept.

I certify that, within 3 days of serving the summons, I gave notice (Part D of Form 2039) to the person named below on the date and in the manner indicated.

Date of giving Notice: _____ Time: _____

Name of Noticee: _____

Address of Noticee (if mailed): _____

How Notice Was Given

- | | |
|---|---|
| <input type="checkbox"/> I gave notice by certified or registered mail to the last known address of the noticee. | <input type="checkbox"/> I gave notice by handing it to the noticee. |
| <input type="checkbox"/> I left the notice at the last and usual place of abode of the noticee. I left the copy with the following person (if any). | <input type="checkbox"/> In the absence of a last known address of the noticee, I left the notice with the person summoned. |
| | <input checked="" type="checkbox"/> No notice is required. |

Signature	Title
-----------	-------

I certify that the period prescribed for beginning a proceeding to quash this summons has expired and that no such proceeding was instituted or that the noticee consents to the examination.

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Summons

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Department of the Treasury
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Provisions of the Internal Revenue Code

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- (1) To examine any books, papers, records, or other data which may be relevant or material to such inquiry.
- (2) To summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of account containing entries relating to the business of the person liable for tax or required to perform the act, or any other person the Secretary may deem proper, to appear before the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and
- (3) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry.

(b) Purpose may include inquiry into offense. - The purposes for which the Secretary may take any action described in paragraph (1), (2), or (3) of subsection (a) include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

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 - (B) if the Secretary determines for good cause shown that such notice would jeopardize collection of any tax or such notice may involve reprisal against any person, or
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 - (i) the Secretary has recommended to the Attorney General a grand jury investigation of, or the criminal prosecution of, such person for any offense connected with the administration or enforcement of the internal revenue laws or
 - (ii) any request is made under section 6103(h)(3)(B) for the disclosure of any return or return information (within the meaning of section 6103(b)) relating to such person.
 - (B) Termination. - A Justice Department referral shall cease to be in effect with respect to a person when-
 - (i) the Attorney General notifies the Secretary, in writing, that -
 - (I) he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws,
 - (II) he will not authorize a grand jury investigation of such person with respect to such an offense, or
 - (III) he will discontinue such a grand jury investigation.
 - (ii) a final disposition has been made of any criminal proceeding pertaining to the enforcement of the internal revenue laws which was instituted by the Attorney General against such person, or
 - (iii) the Attorney General notifies the Secretary, in writing, that he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws relating to the request described in sub paragraph (A)(i).
- (3) Taxable years, etc., treated separately. - For purposes of this subsection, each taxable period (or, if there is no taxable period, each taxable event) and each tax imposed by a separate chapter of this title shall be treated separately.

(e) Limitation on examination on unreported income. - The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income.

Authority to examine books and witness is also provided under sec. 6420 (e)(2) - Gasoline used on farms: sec. 6421(g)(2) - Gasoline used for certain nonhighway purposes by local transit systems, or sold for certain exempt purposes; and sec. 6427(j)(2) - Fuels not used for taxable purposes.

Sec. 7603. Service of summons

(a) In general. - A summons issued under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 shall be served by the Secretary, by an attested copy delivered in hand to the person to whom it is directed, or left at his last and usual place of abode, and the certificate of service signed by the person serving the summons shall be evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of books, papers, records, or other data, it shall be sufficient if such books, papers, records, or other data are described with reasonable certainty

(b) Service by mail to third-party recordkeepers. -

- (1) In general. - A summons referred to in subsection (a) for the production of books, papers, records, or other data by a third-party recordkeeper may also be served by certified or registered mail to the last known address of such recordkeeper.
- (2) Third party record keeper. - For purposes of paragraph (1), the term *third-party recordkeeper* means -
 - (A) any mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution chartered and supervised as a savings and loan or similar association under Federal or State law, any bank (as defined in section 581), or any credit union (within the meaning of section 501(c)(14)(A));
 - (B) any consumer reporting agency (as defined under section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681 a(f)));
 - (C) Any person extending credit through the use of credit cards or similar devices;
 - (D) any broker (as defined in section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4)));
 - (E) any attorney;
 - (F) any accountant;
 - (G) any barter exchange (as defined in section 6045(c)(3));
 - (H) any regulated investment company (as defined in section 851) and any agent of such regulated investment company when acting as an agent thereof;
 - (I) any enrolled agent; and
 - (J) any owner or developer of a computer software source code (as defined in section 7612(d)(2)). Subparagraph (J) shall apply only with respect to a summons requiring the production of the source code referred to in subparagraph (J) or the program and data described in section 7612(b)(1)(A)(ii) to which source code relates.

Sec. 7604. Enforcement of summons

(a) Jurisdiction of District Court. - If any person is summoned under the internal revenue laws to appear, to testify, or to produce books, papers, records, or other data, the United States district court for the district in which such person resides or is found shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, records, or other data.

(b) Enforcement. - Whenever any person summoned under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, the Secretary may apply to the judge of the district court or to a United States Commissioner for the district within which the person so summoned resides or is found for an attachment against him as for a contempt, it shall be the duty of the judge or commissioner to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or the United States Commissioner shall have power to make such order as he shall deem proper, not inconsistent with the law for the punishment of contempts, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

* * * * *

Sec. 7605. Time and place of examination

(a) Time and place. - The time and place of examination pursuant to the provisions of section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 shall be such time and place as may be fixed by the Secretary and as are reasonable under the circumstances. In the case of a summons under authority of paragraph (2) of section 7602, or under the corresponding authority of section 6420(e)(2), 6421(g)(2) or 6427(j)(2), the date fixed for appearance before the Secretary shall not be less than 10 days from the date of the summons.

*Or United States magistrate, pursuant to P. L. 90-578.

Sec. 7610. Fees and costs for witnesses

(a) In general. - The secretary shall by regulations establish the rates and conditions under which payment may be made of -

- (1) fees and mileage to persons who are summoned to appear before the Secretary, and
- (2) reimbursement for such costs that are reasonably necessary which have been directly incurred in searching for, reproducing, or transporting books, papers, records, or other data required to be produced by summons.

(b) Exceptions. - No payment may be made under paragraph (2) of subsection (a) if -

- (1) the person with respect to whose liability the summons is issued has a proprietary interest in the books, papers, records or other data required to be produced, or
- (2) the person summoned is the person with respect to whose liability the summons is issued or an officer, employee, agent, accountant, or attorney of such person who, at the time the summons is served, is acting as such.

(c) Summons to which section applies. - This section applies with respect to any summons authorized under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602.

Sec. 7210. Failure to obey summons

Any person who, being duly summoned to appear to testify, or to appear and produce books, accounts, records, memoranda or other papers, as required under sections 6420(e)(2), 6421(g)(2), 6427(j)(2), 7602, 7603, and 7604(b), neglects to appear or to produce such books, accounts, records memoranda, or other papers, shall, upon conviction thereof, be fined not more than \$1,000, or imprisoned not more than 1 year, or both, together with costs of prosecution.

* * * * *

COPY

Documents

For the period January 1, 2005 through December 31, 2013, please provide any and all records of all wire transfers processed through the Fedwire Fund Transfer Systems where any of the following names and addresses appear in any originator, beneficiary, instruction or reference field:

A. Names

1. Sovereign Management Legal
2. Sovereign Management & Legal, Ltd
3. Sovereign Management & Legal Limited
4. Sovereign Management & Legal, S.A.
5. Sovereign Management Services
6. Sovereign Management Services, S.A.
7. Sovereign Management & Legal Realty
8. Sovereign Gold Card
9. Sovereign Law Center
10. Sovereign Realty
11. International Corporate Services Ltd.
12. Belize Offshore Solutions Limited
13. Atlas Corporate & Trust Limited
14. Akinia Chi
15. Akinia Chi
16. Akinia Chi P.
17. Akinia Chi Pardo
18. Akinia Mayn Chi Pardo
19. Armando Barsallo
20. Christine Johnston
21. Daniel Isaac Chi
22. David Johnston
23. David Russell
24. Dwayne Skiles
25. Jorge Luis Barroso
26. Lia Johnston
27. Lance Skiles
28. Margo Quintanar de Calderon
29. Michelle Eversley
30. Michael Knott
31. Tesi De Tapia
32. Yadira Eversley

B. Addresses

1. 2250 NW 114th Ave, Unit 1P, Miami, FL 33172-3652
2. P.O. Box 025724, Miami, FL 33102-5724
3. #1 Mapp Street, Belize City, Belize
4. 63 Hoi Yuen Rd., Ste 606, Kwun Tong, Hong Kong

COPY

5. Apdo 0819-10660, Panama City, Panama
6. The Century Tower, 20th Floor, Suite 2007, Avenida Ricardo J. Alfaro, Panama City
7. Pacific Sky/Sun Towers Lobby Level, Suite No. 1, Punta Paitilla, Ramon Hurtado Avenue, Panama, Panama

Instructions for Production of Electronically Stored Records

If the records requested herein are stored in your record retention systems and/or by your technology, data, or other service providers, it should be produced on electronic media according to the following criteria:

I. Text Data

- A. Text data relating to transactions shall be produced within a data file:
 1. Using a delimited ASCII text data format; or
 2. Using software that can export to a commonly readable, nonproprietary file format without loss of data.
 3. If text data is stored in a format readable only by proprietary software, provide a copy of software necessary to enable the data to be retrieved, manipulated, and processed by a computer.
- B. Text data files relating to transactions shall include field descriptions (e.g., account number, date/time, description, payee/payor, check number, item identifier, amount, etc.)

II. Image Data

- A. Image data shall be produced in graphic data files in a commonly readable, nonproprietary format with the highest image quality maintained.
- B. Image data of items associated with transactions (e.g., cancelled checks, deposit slips, etc.) shall be:
 1. Produced in individual graphic data files with any associated endorsements;
 2. Linked to corresponding text data by a unique identifier; and
 3. Image collections, OCR (optical character recognition), and image linking files must be produced in a Concordance load-ready format, ideally in a Concordance database.

III. Encryption/Authentication

- A. Electronically stored records may be transmitted in an encrypted container. Decryption keys and/or passwords shall be produced separately at the time the data is produced.
- B. Authentication, such as hash coding, may be set by agreement.
- C. Affidavits or certificates of authenticity for the records may be included as part of the electronic production.

In the Matter of Tax Liability of John Does
Attachment to Form 2039 Summons to Federal Reserve Bank of New York

COPY

If you have questions about the format in which to provide electronic data, please contact Revenue Randy Agent Hooczko by telephone at (626) 927-1343.

Before you produce any of the above-listed records, please contact Revenue Agent Hooczko by telephone at (626) 927-1343 to discuss the terms of compliance.

The personal appearance requirement is waived when the requested information is furnished by mail to Revenue Agent Hooczko at 9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828.

EXHIBIT G



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: Clearing House Payments Company L.L.C.

At: 450 W. 33rd Street, New York, NY 10001

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Do not write in this space

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.

Issued under authority of the Internal Revenue Code this _____ day of _____, 2014.

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Original — to be kept by IRS



Service of Summons, Notice and Recordkeeper Certificates

(Pursuant to section 7603, Internal Revenue Code)

I certify that I served the summons shown on the front of this form on:

Date	Time
------	------

How Summons Was Served

1. ☐ I certify that I handed a copy of the summons, which contained the attestation required by § 7603, to the person to whom it was directed.
2. ☐ I certify that I left a copy of the summons, which contained the attestation required by § 7603, at the last and usual place of abode of the person to whom it was directed. I left the copy with the following person (if any): _____
3. ☐ I certify that I sent a copy of the summons, which contained the attestation required by § 7603, by certified or registered mail to the last known address of the person to whom it was directed, that person being a third-party recordkeeper within the meaning of § 7603(b). I sent the summons to the following address: _____
450 W. 33rd Street, New York, NY 10001

Signature	Title
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4. This certificate is made to show compliance with IRC Section 7609. This certificate does not apply to summonses served on any officer or employee of the person to whose liability the summons relates nor to summonses in aid of collection, to determine the identity of a person having a numbered account or similar arrangement, or to determine

whether or not records of the business transactions or affairs of an identified person have been made or kept.

I certify that, within 3 days of serving the summons, I gave notice (Part D of Form 2039) to the person named below on the date and in the manner indicated.

Date of giving Notice: _____ Time: _____

Name of Noticee: _____

Address of Noticee (if mailed): _____

How Notice Was Given

- ☐ I gave notice by certified or registered mail to the last known address of the noticee.
- ☐ I gave notice by handing it to the noticee.
- ☐ In the absence of a last known address of the noticee, I left the notice with the person summoned.
- ☐ I left the notice at the last and usual place of abode of the noticee. I left the copy with the following person (if any).
- ☒ No notice is required.

Signature	Title
-----------	-------

I certify that the period prescribed for beginning a proceeding to quash this summons has expired and that no such proceeding was instituted or that the noticee consents to the examination.

Signature	Title
-----------	-------



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: Clearing House Payments Company L.L.C.

At: 450 W. 33rd Street, New York, NY 10001

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Attestation

I hereby certify that I have examined and compared this copy of the summons with the original and that it is a true and correct copy of the original.

Signature of IRS officer serving the summons

Title

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev.12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.
(year)
Issued under authority of the Internal Revenue Code this _____ day of _____, 2014
(year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Part A - to be given to person summoned



Provisions of the Internal Revenue Code

Sec. 7602. Examination of books and witnesses

(a) Authority to Summon, etc. - For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized -

- (1) To examine any books, papers, records, or other data which may be relevant or material to such inquiry.
- (2) To summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of account containing entries relating to the business of the person liable for tax or required to perform the act, or any other person the Secretary may deem proper, to appear before the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and
- (3) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry.

(b) Purpose may include inquiry into offense. - The purposes for which the Secretary may take any action described in paragraph (1), (2), or (3) of subsection (a) include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

(c) Notice of contact of third parties. -

- (1) General Notice. - An officer or employee of the Internal Revenue Service may not contact any person other than the taxpayer with respect to the determination or collection of the tax liability of such taxpayer without providing reasonable notice in advance to the taxpayer that contacts with persons other than the taxpayer may be made.
- (2) Notice of specific contacts. - The Secretary shall periodically provide to a taxpayer a record of persons contacted during such period by the Secretary with respect to the determination or collection of the tax liability of such taxpayer. Such record shall also be provided upon request of the taxpayer.
- (3) Exceptions. - This subsection shall not apply-
 - (A) to any contact which the taxpayer has authorized,
 - (B) if the Secretary determines for good cause shown that such notice would jeopardize collection of any tax or such notice may involve reprisal against any person, or
 - (C) with respect to any pending criminal investigation.

(d) No administrative summons when there is Justice Department referral.-

(1) Limitation of authority. - No summons may be issued under this title, and the Secretary may not begin any action under section 7604 to enforce any summons, with respect to any person if a Justice Department referral is in effect with respect to such person.

(2) Justice Department referral in effect. - For purposes of this subsection-

(A) In general. - A Justice Department referral is in effect with respect to any person if-

- (i) the Secretary has recommended to the Attorney General a grand jury investigation of, or the criminal prosecution of, such person for any offense connected with the administration or enforcement of the internal revenue laws or
- (ii) any request is made under section 6103(h)(3)(B) for the disclosure of any return or return information (within the meaning of section 6103(b)) relating to such person.

(B) Termination. - A Justice Department referral shall cease to be in effect with respect to a person when-

- (i) the Attorney General notifies the Secretary, in writing, that -
 - (I) he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws,
 - (II) he will not authorize a grand jury investigation of such person with respect to such an offense, or
 - (III) he will discontinue such a grand jury investigation.
- (ii) a final disposition has been made of any criminal proceeding pertaining to the enforcement of the internal revenue laws which was instituted by the Attorney General against such person, or
- (iii) the Attorney General notifies the Secretary, in writing, that he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws relating to the request described in sub paragraph (A)(i).

(3) Taxable years, etc., treated separately. - For purposes of this subsection, each taxable period (or, if there is no taxable period, each taxable event) and each tax imposed by a separate chapter of this title shall be treated separately.

(e) Limitation on examination on unreported income. - The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income.

Authority to examine books and witness is also provided under sec. 6420 (e)(2) - Gasoline used on farms: sec. 6421(g)(2) - Gasoline used for certain nonhighway purposes by local transit systems, or sold for certain exempt purposes; and sec. 6427(j)(2) - Fuels not used for taxable purposes.

Sec. 7603. Service of summons

(a) In general - A summons issued under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 shall be served by the Secretary, by an attested copy delivered in hand to the person to whom it is directed, or left at his last and usual place of abode, and the certificate of service signed by the person serving the summons shall be evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of books, papers, records, or other data, it shall be sufficient if such books, papers, records, or other data are described with reasonable certainty

(b) Service by mail to third-party recordkeepers. -

(1) In general. - A summons referred to in subsection (a) for the production of books, papers, records, or other data by a third-party recordkeeper may also be served by certified or registered mail to the last known address of such recordkeeper.

(2) Third party record keeper. - For purposes of paragraph (1), the term *third-party recordkeeper* means -

- (A) any mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution chartered and supervised as a savings and loan or similar association under Federal or State law, any bank (as defined in section 581), or any credit union (within the meaning of section 501 (c)(14)(A));
- (B) any consumer reporting agency (as defined under section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681 a(f));
- (C) Any person extending credit through the use of credit cards or similar devices;
- (D) any broker (as defined in section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4));
- (E) any attorney;
- (F) any accountant;
- (G) any barter exchange (as defined in section 6045(c)(3));
- (H) any regulated investment company (as defined in section 851) and any agent of such regulated investment company when acting as an agent thereof;
- (I) any enrolled agent; and
- (J) any owner or developer of a computer software source code (as defined in section 7612(d)(2)). Subparagraph (J) shall apply only with respect to a summons requiring the production of the source code referred to in subparagraph (J) or the program and data described in section 7612(b)(1)(A)(ii) to which source code relates.

Sec. 7604. Enforcement of summons

(a) Jurisdiction of District Court. - If any person is summoned under the internal revenue laws to appear, to testify, or to produce books, papers, records, or other data, the United States district court for the district in which such person resides or is found shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, records, or other data.

(b) Enforcement. - Whenever any person summoned under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, the Secretary may apply to the judge of the district court or to a United States Commissioner for the district within which the person so summoned resides or is found for an attachment against him as for a contempt, it shall be the duty of the judge or commissioner to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or the United States Commissioner shall have power to make such order as he shall deem proper, not inconsistent with the law for the punishment of contempts, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

* * * * *

Sec. 7605. Time and place of examination

(a) Time and place. - The time and place of examination pursuant to the provisions of section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 shall be such time and place as may be fixed by the Secretary and as are reasonable under the circumstances. In the case of a summons under authority of paragraph (2) of section 7602, or under the corresponding authority of section 6420(e)(2), 6421 (g)(2) or 6427(j)(2), the date fixed for appearance before the Secretary shall not be less than 10 days from the date of the summons.

¹Or United States magistrate, pursuant to P L. 90-578.

Sec. 7610. Fees and costs for witnesses

(a) In general. - The secretary shall by regulations establish the rates and conditions under which payment may be made of -

- (1) fees and mileage to persons who are summoned to appear before the Secretary, and
- (2) reimbursement for such costs that are reasonably necessary which have been directly incurred in searching for, reproducing, or transporting books, papers, records, or other data required to be produced by summons.

(b) Exceptions. - No payment may be made under paragraph (2) of subsection (a) if -

- (1) the person with respect to whose liability the summons is issued has a proprietary interest in the books, papers, records or other data required to be produced, or
- (2) the person summoned is the person with respect to whose liability the summons is issued or an officer, employee, agent, accountant, or attorney of such person who, at the time the summons is served, is acting as such.

(c) Summons to which section applies. - This section applies with respect to any summons authorized under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602.

Sec. 7210. Failure to obey summons

Any person who, being duly summoned to appear to testify, or to appear and produce books, accounts, records, memoranda or other papers, as required under sections 6420(e)(2), 6421(g)(2), 6427(j)(2), 7602, 7603, and 7604(b), neglects to appear or to produce such books, accounts, records memoranda, or other papers, shall, upon conviction thereof, be fined not more than \$1,000, or imprisoned not more than 1 year, or both, together with costs of prosecution.

COPY

Documents

For the period January 1, 2005 through December 31, 2013, please provide any and all records of all wire transfers processed through the CHIPS Fund Transfer Systems where any of the following names and addresses appear in any originator, beneficiary, instruction or reference field:

A. Names

1. Sovereign Management Legal
2. Sovereign Management & Legal, Ltd
3. Sovereign Management & Legal Limited
4. Sovereign Management & Legal, S.A.
5. Sovereign Management Services
6. Sovereign Management Services, S.A.
7. Sovereign Management & Legal Realty
8. Sovereign Gold Card
9. Sovereign Law Center
10. International Corporate Services Ltd.
11. Belize Offshore Solutions Limited
12. Atlas Corporate & Trust Limited
13. Aknia Chi
14. Aknia Chi
15. Aknia Chi P.
16. Aknia Chi Pardo
17. Aknia Mayn Chi Pardo
18. Armando Barsallo
19. Christine Johnston
20. Daniel Isaac Chi
21. David Johnston
22. David Russell
23. Dwayne Skiles
24. Jorge Luis Barroso
25. Lia Johnston
26. Lance Skiles
27. Margo Quintanar de Calderon
28. Michelle Eversley
29. Michael Knott
30. Tesi De Tapia
31. Yadira Eversley

B. Addresses

1. 2250 NW 114th Ave, Unit 1P, Miami, FL 33172-3652
2. P.O. Box 025724, Miami, FL 33102-5724
3. #1 Mapp Street, Belize City, Belize
4. 63 Hoi Yuen Rd., Ste 606, Kwun Tong, Hong Kong
5. Apdo 0819-10660, Panama City, Panama

COPY

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 2. Using software that can export to a commonly readable, nonproprietary file format without loss of data.
 3. If text data is stored in a format readable only by proprietary software, provide a copy of software necessary to enable the data to be retrieved, manipulated, and processed by a computer.
- B. Text data files relating to transactions shall include field descriptions (e.g., account number, date/time, description, payee/payor, check number, item identifier, amount, etc.)

II. Image Data

- A. Image data shall be produced in graphic data files in a commonly readable, nonproprietary format with the highest image quality maintained.
- B. Image data of items associated with transactions (e.g., cancelled checks, deposit slips, etc.) shall be:
 1. Produced in individual graphic data files with any associated endorsements;
 2. Linked to corresponding text data by a unique identifier; and
 3. Image collections, OCR (optical character recognition), and image linking files must be produced in a Concordance load-ready format, ideally in a Concordance database.

III. Encryption/Authentication

- A. Electronically stored records may be transmitted in an encrypted container. Decryption keys and/or passwords shall be produced separately at the time the data is produced.
- B. Authentication, such as hash coding, may be set by agreement.
- C. Affidavits or certificates of authenticity for the records may be included as part of the electronic production.

If you have questions about the format in which to provide electronic data, please contact Revenue Randy Agent Hooczko by telephone at (626) 927-1343.

In the Matter of Tax Liability of John Does
Attachment to Form 2039 Summons to Clearing House Payments Company L.L.C.

COPY

Before you produce any of the above-listed records, please contact Revenue Agent Hooczko by telephone at (626) 927-1343 to discuss the terms of compliance.

The personal appearance requirement is waived when the requested information is furnished by mail to Revenue Agent Hooczko at 9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828.

EXHIBIT H



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: HSBC Bank USA, National Association

At: 307 Grand Street, New York, NY 10002

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Do not write in this space

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.

Issued under authority of the Internal Revenue Code this _____ day of _____, 2014 (year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Original — to be kept by IRS



Service of Summons, Notice and Recordkeeper Certificates

(Pursuant to section 7603, Internal Revenue Code)

I certify that I served the summons shown on the front of this form on:

Date	Time
------	------

How Summons Was Served

1. ☐ I certify that I handed a copy of the summons, which contained the attestation required by § 7603, to the person to whom it was directed.
2. ☐ I certify that I left a copy of the summons, which contained the attestation required by § 7603, at the last and usual place of abode of the person to whom it was directed. I left the copy with the following person (if any): _____
3. ☐ I certify that I sent a copy of the summons, which contained the attestation required by § 7603, by certified or registered mail to the last known address of the person to whom it was directed, that person being a third-party recordkeeper within the meaning of § 7603(b). I sent the summons to the following address: _____
307 Grand Street, New York, NY 10002

Signature	Title
-----------	-------

4. This certificate is made to show compliance with IRC Section 7609. This certificate does not apply to summonses served on any officer or employee of the person to whose liability the summons relates nor to summonses in aid of collection, to determine the identity of a person having a numbered account or similar arrangement, or to determine

whether or not records of the business transactions or affairs of an identified person have been made or kept.

I certify that, within 3 days of serving the summons, I gave notice (Part D of Form 2039) to the person named below on the date and in the manner indicated.

Date of giving Notice: _____ Time: _____

Name of Noticee: _____

Address of Noticee (if mailed): _____

How Notice Was Given

- | | |
|---|---|
| <input type="checkbox"/> I gave notice by certified or registered mail to the last known address of the noticee. | <input type="checkbox"/> I gave notice by handing it to the noticee. |
| <input type="checkbox"/> I left the notice at the last and usual place of abode of the noticee. I left the copy with the following person (if any). | <input type="checkbox"/> In the absence of a last known address of the noticee, I left the notice with the person summoned. |
| | <input checked="" type="checkbox"/> No notice is required. |

Signature	Title
-----------	-------

I certify that the period prescribed for beginning a proceeding to quash this summons has expired and that no such proceeding was instituted or that the noticee consents to the examination.

Signature	Title
-----------	-------



Summons

COPY

In the matter of Tax Liability of John Does*

Internal Revenue Service (Division): Large Business & International Division

Industry/Area (name or number): International Individual Compliance

Periods: Years ending 12/31/2005 through 12/31/2013

The Commissioner of Internal Revenue

To: HSBC Bank USA, National Association

At: 307 Grand Street, New York, NY 10002

You are hereby summoned and required to appear before Revenue Agent Randy J. Hooczko or Designee
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See attachment

* "John Does" United States taxpayers who, at any time during the years ended December 31, 2005, through December 31, 2013, used the services of Sovereign Management & Legal, Ltd, its predecessors, subsidiaries, and affiliates (collectively, "SML"), to establish, maintain, operate, or control any foreign financial account or other asset; any foreign corporation, company, trust, foundation or other legal entity; or any foreign or domestic financial account or other asset in the name of such foreign entity.

Attestation

I hereby certify that I have examined and compared this copy of the summons with the original and that it is a true and correct copy of the original.

Signature of IRS officer serving the summons

Title

Business address and telephone number of IRS officer before whom you are to appear:

9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828; Telephone: (626) 927-1343

Place and time for appearance at Internal Revenue Service, 110 West 44th Street, New York, NY 10036-6710



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev.12-2001)
Catalog Number 21405J

on the _____ day of _____, 2014 at 10:00 o'clock a m.
(year)
Issued under authority of the Internal Revenue Code this _____ day of _____, 2014
(year)

Signature of issuing officer

Title

Signature of approving officer (if applicable)

Title

Part A - to be given to person summoned



Provisions of the Internal Revenue Code

Sec. 7602. Examination of books and witnesses

(a) Authority to Summon, etc. - For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized -

- (1) To examine any books, papers, records, or other data which may be relevant or material to such inquiry.
- (2) To summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of account containing entries relating to the business of the person liable for tax or required to perform the act, or any other person the Secretary may deem proper, to appear before the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and
- (3) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry.

(b) Purpose may include inquiry into offense. - The purposes for which the Secretary may take any action described in paragraph (1), (2), or (3) of subsection (a) include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

(c) Notice of contact of third parties. -

- (1) General Notice. - An officer or employee of the Internal Revenue Service may not contact any person other than the taxpayer with respect to the determination or collection of the tax liability of such taxpayer without providing reasonable notice in advance to the taxpayer that contacts with persons other than the taxpayer may be made.
- (2) Notice of specific contacts. - The Secretary shall periodically provide to a taxpayer a record of persons contacted during such period by the Secretary with respect to the determination or collection of the tax liability of such taxpayer. Such record shall also be provided upon request of the taxpayer.
- (3) Exceptions. - This subsection shall not apply-
 - (A) to any contact which the taxpayer has authorized,
 - (B) if the Secretary determines for good cause shown that such notice would jeopardize collection of any tax or such notice may involve reprisal against any person, or
 - (C) with respect to any pending criminal investigation.

(d) No administrative summons when there is Justice Department referral. -

- (1) Limitation of authority. - No summons may be issued under this title, and the Secretary may not begin any action under section 7604 to enforce any summons, with respect to any person if a Justice Department referral is in effect with respect to such person.
- (2) Justice Department referral in effect. - For purposes of this subsection-
 - (A) In general. - A Justice Department referral is in effect with respect to any person if-
 - (i) the Secretary has recommended to the Attorney General a grand jury investigation of, or the criminal prosecution of, such person for any offense connected with the administration or enforcement of the internal revenue laws or
 - (ii) any request is made under section 6103(h)(3)(B) for the disclosure of any return or return information (within the meaning of section 6103(b)) relating to such person.
 - (B) Termination. - A Justice Department referral shall cease to be in effect with respect to a person when-
 - (i) the Attorney General notifies the Secretary, in writing, that-
 - (I) he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws,
 - (II) he will not authorize a grand jury investigation of such person with respect to such an offense, or
 - (III) he will discontinue such a grand jury investigation.
 - (ii) a final disposition has been made of any criminal proceeding pertaining to the enforcement of the internal revenue laws which was instituted by the Attorney General against such person, or
 - (iii) the Attorney General notifies the Secretary, in writing, that he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws relating to the request described in sub paragraph (A)(i).
- (3) Taxable years, etc., treated separately. - For purposes of this subsection, each taxable period (or, if there is no taxable period, each taxable event) and each tax imposed by a separate chapter of this title shall be treated separately.

(e) Limitation on examination on unreported income. - The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income.

Authority to examine books and witness is also provided under sec. 6420 (e)(2) - Gasoline used on farms: sec. 6421(g)(2) - Gasoline used for certain nonhighway purposes by local transit systems, or sold for certain exempt purposes; and sec. 6427(j)(2) - Fuels not used for taxable purposes.

Sec. 7603. Service of summons

(a) In general - A summons issued under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 shall be served by the Secretary, by an attested copy delivered in hand to the person to whom it is directed, or left at his last and usual place of abode; and the certificate of service signed by the person serving the summons shall be evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of books, papers, records, or other data, it shall be sufficient if such books, papers, records, or other data are described with reasonable certainty

(b) Service by mail to third-party recordkeepers. -

- (1) In general. - A summons referred to in subsection (a) for the production of books, papers, records, or other data by a third-party recordkeeper may also be served by certified or registered mail to the last known address of such recordkeeper.
- (2) Third party record keeper. - For purposes of paragraph (1), the term *third-party recordkeeper* means -

- (A) any mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution chartered and supervised as a savings and loan or similar association under Federal or State law, any bank (as defined in section 581), or any credit union (within the meaning of section 501(c)(14)(A));
- (B) any consumer reporting agency (as defined under section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681 a(f));
- (C) Any person extending credit through the use of credit cards or similar devices;
- (D) any broker (as defined in section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4));
- (E) any attorney;
- (F) any accountant;
- (G) any barter exchange (as defined in section 6045(c)(3));
- (H) any regulated investment company (as defined in section 851) and any agent of such regulated investment company when acting as an agent thereof;
- (I) any enrolled agent; and
- (J) any owner or developer of a computer software source code (as defined in section 7612(d)(2)). Subparagraph (J) shall apply only with respect to a summons requiring the production of the source code referred to in subparagraph (J) or the program and data described in section 7612(b)(1)(A)(ii) to which source code relates.

Sec. 7604. Enforcement of summons

(a) Jurisdiction of District Court. - If any person is summoned under the internal revenue laws to appear, to testify, or to produce books, papers, records, or other data, the United States district court for the district in which such person resides or is found shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, records, or other data.

(b) Enforcement. - Whenever any person summoned under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, the Secretary may apply to the judge of the district court or to a United States Commissioner for the district within which the person so summoned resides or is found for an attachment against him as for a contempt, it shall be the duty of the judge or commissioner to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or the United States Commissioner shall have power to make such order as he shall deem proper, not inconsistent with the law for the punishment of contempts, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

* * * * *

Sec. 7605. Time and place of examination

(a) Time and place. - The time and place of examination pursuant to the provisions of section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 shall be such time and place as may be fixed by the Secretary and as are reasonable under the circumstances. In the case of a summons under authority of paragraph (2) of section 7602, or under the corresponding authority of section 6420(e)(2), 6421(g)(2) or 6427(j)(2), the date fixed for appearance before the Secretary shall not be less than 10 days from the date of the summons.

*Or United States magistrate, pursuant to P L. 90-578.

Sec. 7610. Fees and costs for witnesses

(a) In general. - The secretary shall by regulations establish the rates and conditions under which payment may be made of -

- (1) fees and mileage to persons who are summoned to appear before the Secretary, and
- (2) reimbursement for such costs that are reasonably necessary which have been directly incurred in searching for, reproducing, or transporting books, papers, records, or other data required to be produced by summons.

(b) Exceptions. - No payment may be made under paragraph (2) of subsection (a) if -

- (1) the person with respect to whose liability the summons is issued has a proprietary interest in the books, papers, records or other data required to be produced, or
- (2) the person summoned is the person with respect to whose liability the summons is issued or an officer, employee, agent, accountant, or attorney of such person who, at the time the summons is served, is acting as such.

(c) Summons to which section applies. - This section applies with respect to any summons authorized under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602.

Sec. 7210. Failure to obey summons

Any person who, being duly summoned to appear to testify, or to appear and produce books, accounts, records, memoranda or other papers, as required under sections 6420(e)(2), 6421(g)(2), 6427(j)(2), 7602, 7603, and 7604(b), neglects to appear or to produce such books, accounts, records memoranda, or other papers, shall, upon conviction thereof, be fined not more than \$1,000, or imprisoned not more than 1 year, or both, together with costs of prosecution.

COPY

Documents

As correspondent bank for HSBC Bank (Panama) S.A. (HSBC Panama) and The Hongkong and Shanghai Banking Corporation Limited (HSBC Hong Kong), please provide the below-listed records of each correspondent account of HSBC Panama and HSBC Hong Kong at HSBC Bank USA, National Association, its subsidiaries and affiliates for the period January 1, 2005, through December 31, 2013, including but not limited to account [REDACTED] (HSBC Panama) and account [REDACTED] (HSBC Hong Kong).

1. Account statements.
2. Front and back of deposit slips and deposited items.
3. Front and back of checks.
4. Wire transfer orders and confirmations and other similar records of all wire transfers into and out of the account indicating the originator, originator's bank, beneficiary, beneficiary's bank, intermediary banks, ordering party, date and amount, and any reference information for parties to the transfer.
5. All exception reports produced by your AML system related to the correspondent accounts of HSBC Panama and HSBC Hong Kong and, for any such report for which an investigation was undertaken, all documents associated with that investigation, including notes, memorandum, research, communications with HSBC Panama and HSBC Hong Kong.
6. If you provided other correspondent banking services for HSBC Panama or HSBC Hong Kong during the period January 1, 2005, through December 31, 2013, including, but not limited to, loan participation assistance, data processing services, portfolio analysis and investment advice, federal funds trading, securities safekeeping, arrangement of purchases and sale of securities, and investment banking services, please provide a copy of the contract or other written agreement for provision of such services or otherwise identify and provide a description of such services.

You need not provide any Traveler's Checks or Traveler's Check documentation.

Instructions for Production of Electronically Stored Records

If the records requested herein are stored in your record retention systems and/or by your technology, data, or other service providers, it should be produced on electronic media according to the following criteria:

COPY

I. Text Data

- A. Text data relating to transactions shall be produced within a data file:
 - 1. Using a delimited ASCII text data format; or
 - 2. Using software that can export to a commonly readable, nonproprietary file format without loss of data.
 - 3. If text data is stored in a format readable only by proprietary software, provide a copy of software necessary to enable the data to be retrieved, manipulated, and processed by a computer.
- B. Text data files relating to transactions shall include field descriptions (e.g., account number, date/time, description, payee/payor, check number, item identifier, amount, etc.)

II. Image Data

- A. Image data shall be produced in graphic data files in a commonly readable, nonproprietary format with the highest image quality maintained.
- B. Image data of items associated with transactions (e.g., cancelled checks, deposit slips, etc.) shall be:
 - 1. Produced in individual graphic data files with any associated endorsements;
 - 2. Linked to corresponding text data by a unique identifier; and
 - 3. Image collections, OCR (optical character recognition), and image linking files must be produced in a Concordance load-ready format, ideally in a Concordance database.

III. Encryption/Authentication

- A. Electronically stored records may be transmitted in an encrypted container. Decryption keys and/or passwords shall be produced separately at the time the data is produced.
- B. Authentication, such as hash coding, may be set by agreement.
- C. Affidavits or certificates of authenticity for the records may be included as part of the electronic production.

If you have questions about the format in which to provide electronic data, please contact Revenue Randy Agent Hooczko by telephone at (626) 927-1343.

Before you produce any of the above-listed records, please contact Revenue Agent Hooczko by telephone at (626) 927-1343 to discuss the terms of compliance.

The personal appearance requirement is waived when the requested information is furnished by mail to Revenue Agent Hooczko at 9350 E. Flair Drive, c/o Group 1552, El Monte, CA 91731-2828.

EXHIBIT 1

Using an Offshore Merchant Account

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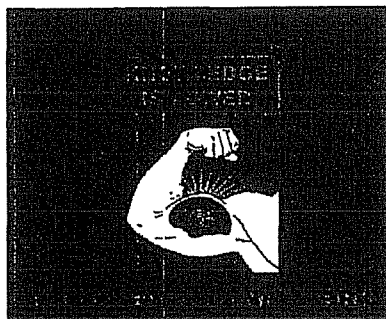
Using an Offshore Merchant Account

By John Schroder

Using an Offshore Merchant Account

Many of our clients are interested in ways to reduce their current tax liability with the current business they have. Some are concerned about ways to move some of their assets "offshore" without throwing up a "red flag". Others are interested in setting up a new business, perhaps via the Internet, and need a way to accept credit orders. Regardless of the need or concern, an "Offshore Merchant Account" may be the ideal answer for you...

A merchant account is basically an account or facility that allows you to accept credit card orders from your customers.



It's that simple. If you accept credit card orders already with your existing business, then you are already familiar with this. But what is the difference or perhaps advantage of using an "offshore" card processing service vs. a local or domestic one?

Well, one thing that is certainly true about the US credit card business, is that it has become very competitive. This has been both a good thing for both consumers and business owners alike. As a consumer, you know that interest rates charged on credit card balances have come down. For business owners, it has meant that where as you were charged up to 7% in the past to process your customer's credit card purchases, those rates have come down to about 3% on average. All positive news. But, there are still problems for the US small businessman wanting to set up his or her own merchant account.

One major problem is of course the application requirements, and the possible deposit requirements. Some banks or credit card processors will not even accept your application unless your business has been operating for two years or more. Others want a security deposit of \$ 5,000 or more.

Some others even want to "hold back" your monthly card payments as an additional "security deposit" for possible "charge backs". In addition, especially in the case of US banks, they act as if they are doing you a favor to take your business. Aside from all this, we know of some clients that have had their merchant account "pulled away" simply because their business started to grow.

What am I talking about? Well, because every US bank is now paranoid about such things as "money laundering" and "suspicious transactions", any sudden change in your business volume sparks a reaction. We know of one client that was given a "we are closing your account" letter by his US bank, because his monthly volume went from \$ 10,000 per month up to \$ 18,000 per month in a fairly short time. The bank said it was "suspicious". The client said it's called "advertising". Well, you know what they say, people that fail in business end up in banking (I went from banking to business, so I guess I graduated).

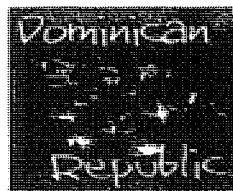


An offshore merchant account places you in a virtual / offshore jurisdiction with favorable tax consequences.

The problem of course with some offshore banks or credit



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Live In The Dominican Republic

Get residency, get real estate, get the inside tips from someone who has lived there for over a decade - The Dominican Republic is a fantastic place to live!



Second Passport Now

Enjoy all of the benefits that go with having a passport from a nation that respects your privacy, your dignity, and your freedom to make individual choices.

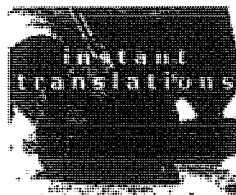
This is one reason why you may want to look for a bank or credit card processor that understands your business, your needs, your problems - and is willing to help. Where can you find someone like that? Well, it all starts with being able to look beyond your own backyard.

Most people would agree that technology and modern telecommunications has provided at least some benefit. We now have fax machines, e-mail, and of course the Internet. What many people do not think about however, is the fact that the world has become a much smaller place. What this means for the business owner is, you no longer are "locked in" to doing business with just the bank or company in your town or state. You can literally "shop the world" for the best rates, the best products, the best service, or what ever. You now can do business with a bank or credit card processor in Germany, Singapore, Holland, or any place else just as easily as "the bank down the road". In fact, nine times out of ten, you will find the level of service to be much better with a bank half way around the world, then you will with your neighborhood bank. Why? They want your business, and they are willing to prove it. The other benefits are obvious. If you intend to be virtual, the best place to begin is by becoming virtual in fact.

Offshore Resources Gallery

card processors are the higher processing fees, when compared to current US rates. The fierce competition that has been seen in the US, has not reached some parts of the world, at least not yet. However that is slowly changing.

In addition, such things as **"Internet Banking"** and offshore merchant accounts are new services that many offshore banks are just starting to take a look at. Even in a banking location such as Panama (with over 130 banks), these services are not even available with a handful of banks. However, we did find a very reliable credit card merchant account service provider that wants to change all that.



Instant Desktop Translations

Instant Translations from your Desktop -
Translates whole Word documents, email, and
more



The Dominican Republic

The Dominican Republic - "The Caribbean's
Best Kept Secret"

They are based in Europe, they have been in business for over 30 years, and their fees are extremely competitive (**with both US bank rates, and especially their "offshore" competition**). In addition, they will gladly accept a new business without any costly deposit requirements.

This is the type of company to work with, because they want to work with you.

I know what you are probably thinking, **"This all sounds very interesting, but what is the real benefit for me to do business with an offshore merchant account provider"**. Well, being able to get better service, little or no hassles getting your account opened, and lower or perhaps no deposit requirements are only the **"tip of the iceberg"**. The real benefits to you as a business own(**your company**) are the tax reduction opportunities that become available through the use of a separate offshore-incorporated company to handle your credit card business for you. In addition, you also have a very legitimate and convenient way to get your business profits offshore. **The fact of the matter is**, if you have an offshore bank or merchant company process your credit card transactions for you, your money already is **"offshore"**. This being the case, you now have the means to really make the most of your business income and keep more of what you earn.

For additional information about obtaining an inexpensive **offshore merchant account**, or forming an offshore company for tax-advantaged strategies for your current business, please contact our office.


John Schroder
Ascot Advisory Services
Tel. 809-334-5387 or 809-293-9427
Email: Info@ascotadvisory.com -
Visit our web-Site: <http://www.ascotadvisory.com>

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EXHIBIT 2

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Download the **FREE** white paper!

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Top 5 Reasons Why An Offshore Merchant Account May Be Right For You

By James B. Allen · July 20, 2004 · [Leave a Comment](#)

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0



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Incorporating an offshore merchant account into your online business is a process anyone who makes income online should consider. Currently little is known about this niche financial tool within the USA. The fact is though, not only can offshore merchant accounts be found that are completely

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use of offshore merchant accounts. WebProNews also offers a number of benefits that can make their use even more appealing.

Next, we'll explore a few of the advantages of offshore merchant accounts in the hopes that the information may prove profitable to our fellow internet marketers.

1. Protecting Your Income

When talking about "going offshore", asset protection and legal tax reduction are the first things that usually come to mind. Acquiring a merchant account in an a low or no tax jurisdiction outside of your own borders can help you accomplish both of these things legally and securely if arranged properly.

Plenty of countries outside of the U.S.A. have an equivalent level of technology and banking infrastructure. Furthermore though, there are a number of these countries that are also much more tax friendly and privacy friendly than current laws allow for American banks to be.

Selling your products, services or subscriptions via an international merchant account and receiving the payments through an offshore corporation into an offshore bank account can legally cut down on your tax burden and put more money in your pockets.

2. New Businesses

For the new online business, procuring a domestic merchant account can often be difficult. Your chances of being accepted for a domestic merchant account are at the mercy of many factors, including your credit history, the type of business you are running, your business plan, funding and more. Furthermore, a domestic merchant account provider can require a large up-front security deposit if you are a new business.

On the other hand, many offshore merchant account providers are considerably more entrepreneur friendly and are much more likely to accept a new business for a merchant account. On top of this, there are legitimate offshore providers who will set up your account without requiring a large deposit. Although the discount rate will invariably be higher, this can still be a better option for the new business where cash flow is important from the start.

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3. Expanding Your Business Globally

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Whether you are a new or established online business, expanding your customer base globally is an excellent way to increase your bottom line. Utilizing an offshore merchant account can help you achieve this in a couple of ways.

For one, there are plenty of international providers who will allow you to accept not only Visa and Mastercard, but also credit cards commonly used outside the U.S. such as JCB, Switch, Maestro and many of the debit cards common in Europe.

Furthermore, since your offshore merchant account can be integrated with an offshore banking account, you can accept funds in multiple currencies. Your customers can be presented with prices in their local currency and pay in their local currency, making it more convenient for them and therefore, more profitable for you.

4. "Sin" Businesses

Let's face it, despite the ideal of pure capitalism that America claims to be all about, the truth is another matter. Just try getting a domestic merchant account if you are operating an adult website! Banks will claim that high levels of chargebacks and fraud are the real reason they won't grant merchant accounts as easily for these types of businesses. Considering their profit potential and the fact the higher risk accounts can be balanced off with lower risk accounts, that defense doesn't quite hold up.

Fortunately, for those who have seen where the big money lies in online business – online gambling and online pharmacies for example, there are plenty of countries that aren't run by a "moral majority" that will be more than happy to consider almost any type of business for a merchant account.

5. Other Considerations

As you can see, there are many reasons to look into setting up an offshore merchant account. You can find an offshore merchant account to suit almost any situation, be it integrating it into your

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Microsoft Opening Five More Retail Stores By Summer

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one shipping cost, accepting payments from recurring subscriptions or making sales of downloadable products. Many offer easy online access and administration too.

Keep in mind though, discount rates tend to be higher for offshore merchant accounts – upwards of 6% as opposed to 2-3% domestically. Also, depending on the type of business and other factors, the hold back amount may be higher. Both of these factors are small prices to pay considering the benefits though.

When comparing offshore merchant account providers, be sure to take these points into consideration. Ask plenty of questions and make certain to get recommendations from current customers. Do your due diligence and always consult your lawyer or financial advisor before taking any action.

Contrary to what you might have come to believe (much to the benefit of domestic banks), there are plenty of legitimate providers of offshore merchant accounts. Coupled with the multitude of profitable and protective benefits that many offer, all internet marketers and online business people would be well advised to explore this financial tool further.

James B. Allen is a niche market consultant who provides keyword research for a small, exclusive client list of internet marketers, website designers and SEO professionals. Visit him at <http://www.NichesExposed.com>

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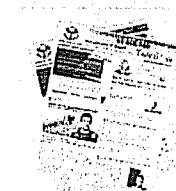
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Michael Dell, Microsoft, Silver Lake Partners to seal the deal



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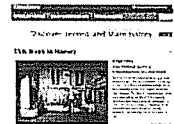
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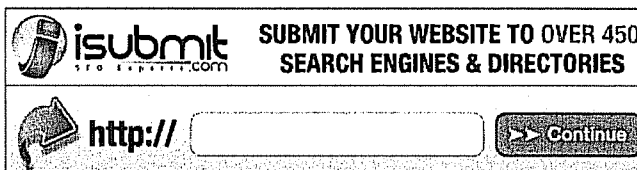
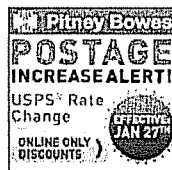
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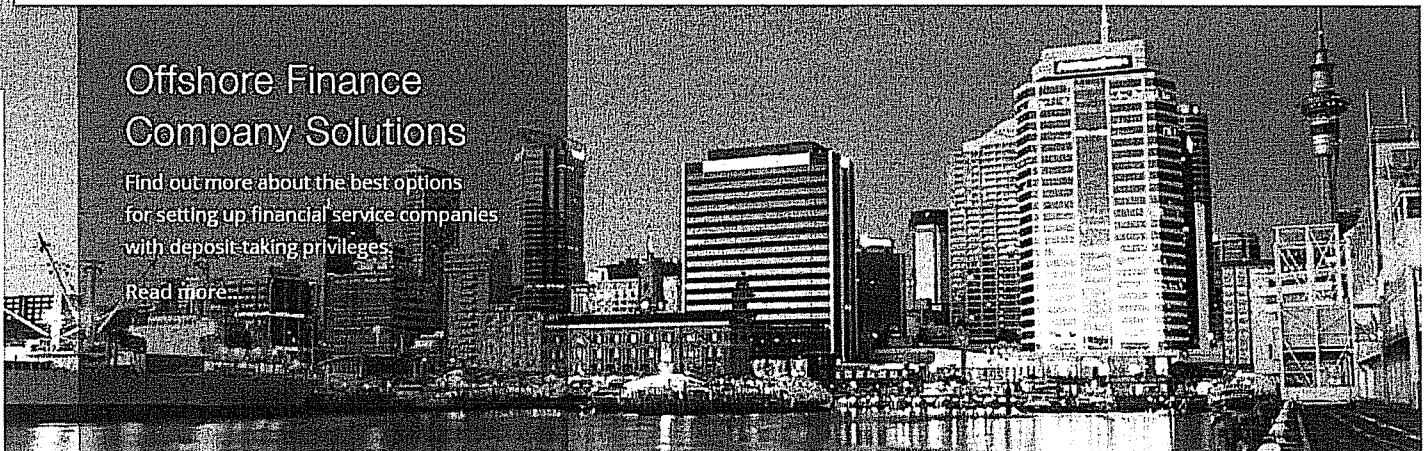
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Non-Bank Financial Companies: The Offshore Alternative

The days when offshore jurisdictions issued bank licenses with minimum requirements are long gone. Now there are strict capitalization, due diligence, relevant experience requirements as well as the need for a physical office and employees in the jurisdiction offering the licence. However, there are a number of alternative structures to a bank that can offer services such as deposit taking, payment processing, investing, brokerage and forex trading, and some options do not require a physical office platform in the jurisdiction of formation.

The most popular include New Zealand or Panama Financial Services Companies, but also include options such as Offshore Brokerage Licences in Belize and other jurisdictions, Private Hedge Funds in places such as St. Lucia, BVI etc. as well as Swiss Trust Companies. [Learn more.](#)

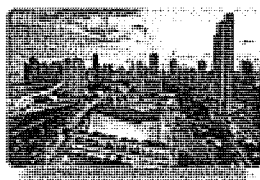


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Providing Customized, Multi-Jurisdictional Offshore Company Formations and Offshore Legal Services Since 1996.

We care about your offshore financial success. For more than 18 years, we've been working diligently to serve our clients' company formation and offshore management needs. Our primary focus is to build reliable, long-term business relationships with our offshore clients.

Every one's financial situation is unique. That's why Sovereign specializes in providing customized tax-efficient corporate structuring, multi-jurisdictional offshore company formations and offshore legal services tailored to your specific needs. As your offshore business evolves, you can depend on Sovereign to provide you with up-to-date expert advice and strategic offshore solutions geared to your success. [Learn more.](#)



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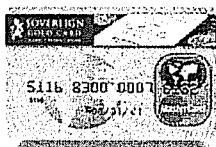
For tax optimization purposes, you need to set up an offshore corporation that you neither own nor control. [Learn more.](#)



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Panama

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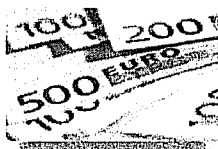
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*includes Nominee Directors



Belize Offshore Company Formation
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Nevis LLC Offshore Company Formation
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Seychelles Offshore Company Formation
 Year 1: USD \$1,275 | Year 2: USD \$600



Offshore Company-Bank Account Packages

Panama Corporation
 owned by Panama
 Foundation + Bank
 Account Package

Nevis Corporation owned
 by Panama Foundation +
 Bank Account Package



USD \$3,300



USD \$3,500

Hong Kong Corporation +
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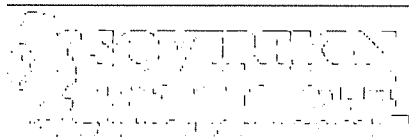
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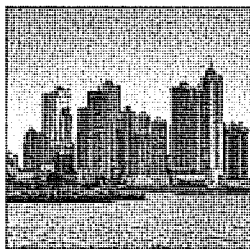
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delivering legal and other services through its Panama lawyer associates as well as through outlets in other jurisdictions such as Belize and Hong Kong. We specialize in asset protection; the formation and administration of anonymous corporations and foundations in Panama along with companies (IBC's), trusts and other structures in Belize, British Virgin Islands, Costa Rica, Cyprus, Delaware, Hong Kong, Nevis, New Zealand, St. Lucia, St. Vincent, Seychelles, U.K. and others as needed; offshore account introductions in Panama, Hong Kong, Belize, St. Lucia, St. Vincent, St. Kitts and Nevis, Cyprus, Austria, Seychelles and Mauritius; professional third party account signatory services; offshore financial institution formation services for banks, brokerage firms, hedge or mutual fund companies, captive insurance companies plus alternate financial institutions such as the Swedish credit union or New Zealand offshore finance company; merchant debit card issuance for such structures; Panama immigration and residency law; Panama business and labor law; Belize and Panama financial license acquisition.

We can assist you in achieving your financial goals of asset protection, privacy, and tax reduction and all matters related to conducting business internationally, becoming judgment proof and protecting yourself from divorce, bankruptcy and other of life's problems as well as living and doing business in Panama or Belize. When you work with a lawyer you have the added advantage of attorney-client privilege as an additional and most important layer of protection. This is important because the vast majority of offshore providers are not law firms and therefore there is little protection beyond their own stated assurances and good intentions. In fact most are just incorporation agents for other firms. Not a good foundation on which to base one's offshore planning, since for the most part there are no statutory penalties that prevent these providers from disclosing your private data! As a client of our firm you will always have access to a lawyer. Our multi-lingual staff can provide for all your management needs, including accounting and physical office services to insure your company's successful and profitable operation.

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One jurisdiction cannot do it all! Panama probably offers the probably the best all round option of any for cost effectiveness as well as privacy and flexibility closely followed by Belize. We believe many of our clients can benefit from a multi-jurisdictional approach to their offshore planning based on the needs of their business and where they need to open accounts. Therefore, although we can incorporate in almost any jurisdiction the following have special appeal: Belize, B.V.I., Costa Rica, Cyprus, Delaware (USA), Hong-Kong, Nevis, New Zealand, Samoa, Seychelles, St. Lucia, St. Vincent, U.K. Even though many of these jurisdictions would not be considered privacy jurisdictions in the same way as Belize or Panama, we can tailor solutions that utilize nominees along with Panama foundations or Belize trusts that will provide maximum anonymity where legitimate business reasons require it. We have correspondents in almost every other major offshore jurisdiction so if you have special jurisdictional requirements or preferences outside of these that are listed please contact us and we will give you the pros and cons of your choice(s).

Offshore Accounts

We specialize in providing offshore account solutions for our clients that do not require a personal presence which many now require. So we form relationships with financial institutions of all types that prefer to deal with introductions from a law firm rather than with persons who contact them directly. All provide online access and almost all allow you to execute a wire online. Our most popular offshore account jurisdiction is Belize for its easier documentation requirements. Panama is also popular because of its famed banking secrecy reputation but has more rigorous account opening requirements and only USD and EUR currency options available. Hong Kong provides an excellent option with one of the largest international institutions in the world and uniquely with no reference letters required. We have other options if you cannot procure a banking reference letter which many have difficulties obtaining. Other jurisdictions that we can offer include St. Lucia, St. Vincent, St. Kitts & Nevis, Austria, Liechtenstein, Cyprus, Mauritius and Seychelles.

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offshore business operations not to fall into the European tax web. This can be achieved by putting in place the law firm as manager of the company and signatory on all accounts. This allows you to maximize the asset protection and privacy benefits of the offshore structures and provides for a compliant "arms length" solution. The law firm will then stand as a buffer between yourself and any perceived control you could be seen to otherwise have. [More »](#)

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Popular non-Panama Incorporation Package Options

- Belize IBC with account
- Hong Kong Corporation with HK account
- Nevis LLC with account
- New Zealand Finance Company
- Seychelles IBC with account

All can be made anonymous with use of nominee directors/shareholders and/or foundations!

Check out the rest of our offshore packages!

Panama Corporations

The second most popular offshore corporate vehicle in the world after Hong Kong! Since we do our own public registry filings, instead of using another law firm, we are able to offer the most feature rich offshore Panama package at a price that you will find elsewhere costing as much as double because we don't charge additional for all the "extras" which we include unlike many other firms. [More »](#)

Private Interest Foundations

A powerful asset protection vehicle that provides strong safeguards against overly ambitious creditors, Panamanian private foundations resemble trusts but have elements of a corporation and last testament and will built in. Modeled after the Liechtenstein foundation but at a fraction of the cost and with more flexibility they own outright the assets placed in them. They provide a very useful alternative to asset protection trusts as their assets cannot be sequestered but operate in a similar way. They are completely anonymous. They can be especially useful as a sole shareholder of corporations rendering the company foreign owned for most domestic tax purposes. [More »](#)

Panama company or other offshore IBC coupled with a Panamanian Foundation

Your best choice if your primary goal is asset protection, complete privacy AND, depending on your country of residence, elimination of reporting requirements and tax deferral opportunities. Especially if you combine this with our full management and account signatory services! In essence, a Private Interest Foundation is put in place that acts as a Shareholder of the company. Ownership thereby is divested to another legal entity that owns the assets of the corporation outright and there is no such legal thing as an owner of a foundation. [More »](#)

In a hurry?

Panama companies and foundations can be set up in as little as 2 to 3 business days with the addition of a special \$250 fee per structure that is paid to the public registry. Also ask for our current list of recent and aged shelf (ready-made) companies and foundations. Some are even available with funded but unused accounts!

E-Commerce Solutions

Panama is an ideal location for the setting up of an e-commerce business. Panama has ideal privacy and tax friendly laws, excellent business infrastructure and low cost of doing business as well as high fiber optic bandwidth availability. A key component of this is an offshore merchant account which we offer in a special e-commerce

package with a Panama Corporation and foundation for just \$3,475. See the full requirements for setting up an offshore merchant account. [More »](#)

Panama Residency / 2nd Passport Services

Panama offers a number of passport and residency options for those seeking economic opportunity, freedom, safety and tropical lifestyle options. All of them are quite easy to qualify for. The economic solvency visa, the business investor visa or the reforestation investor visa are all residency options that will lead to full citizenship after a period of time and you would only need to visit once a year to qualify! Lastly the ever popular pensionado visa is the easiest of all to qualify for if over the age of 45 and now this option, under the recently passed new law, leads to full citizenship after 5 years. Pensionados are entitled to many different types of discounts within the country and can import household effects, cars etc. free of tax. [More »](#)

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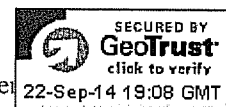
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About Sovereign Management & Legal

A Brief History of Sovereign Management & Legal

Founded in 1996, Sovereign Management & Legal is a multi-jurisdictional offshore services provider delivering



legal and management services through its Panama lawyer associates, as well as through outlets in other jurisdictions such as Belize and Hong Kong.

Responding to the need for investors around the globe to protect their assets and minimize their tax burden, our parent company began helping clients with offshore incorporations in Nevis. Subsequently, Sovereign Management & Legal (SML) was set up in 2002, in the Republic of Panama, as our flagship management and legal services company.

Reflecting the increasingly multi-jurisdictional nature of our business, SML later morphed into Belize-based Sovereign Management & Legal S.A. and Hong Kong-based Sovereign Management & Legal Limited. These two companies, along with our affiliated Panama law firm, provide all the legal services you need to effectively manage your offshore assets.

Hence, our emphasis is in understanding your needs and providing the best possible legal services to you, our clients, to create long-term relationships at competitive prices.

These are just some of the key reasons that make us a little different.

We know we cannot be all things to all people, but we do believe we offer what people are looking for when they are going offshore. This is based on our 18+ years of serving this market and the many clients we have the good fortune to have assisted and continue to support.

Regardless, of what we say, we suggest you test us for yourself. You may be pleasantly surprised at what you discover when you do. Contact us today.



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Email

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Addresses

Please contact us to set up a meeting at our Panama law offices and for the most appropriate postal/courier addresses.



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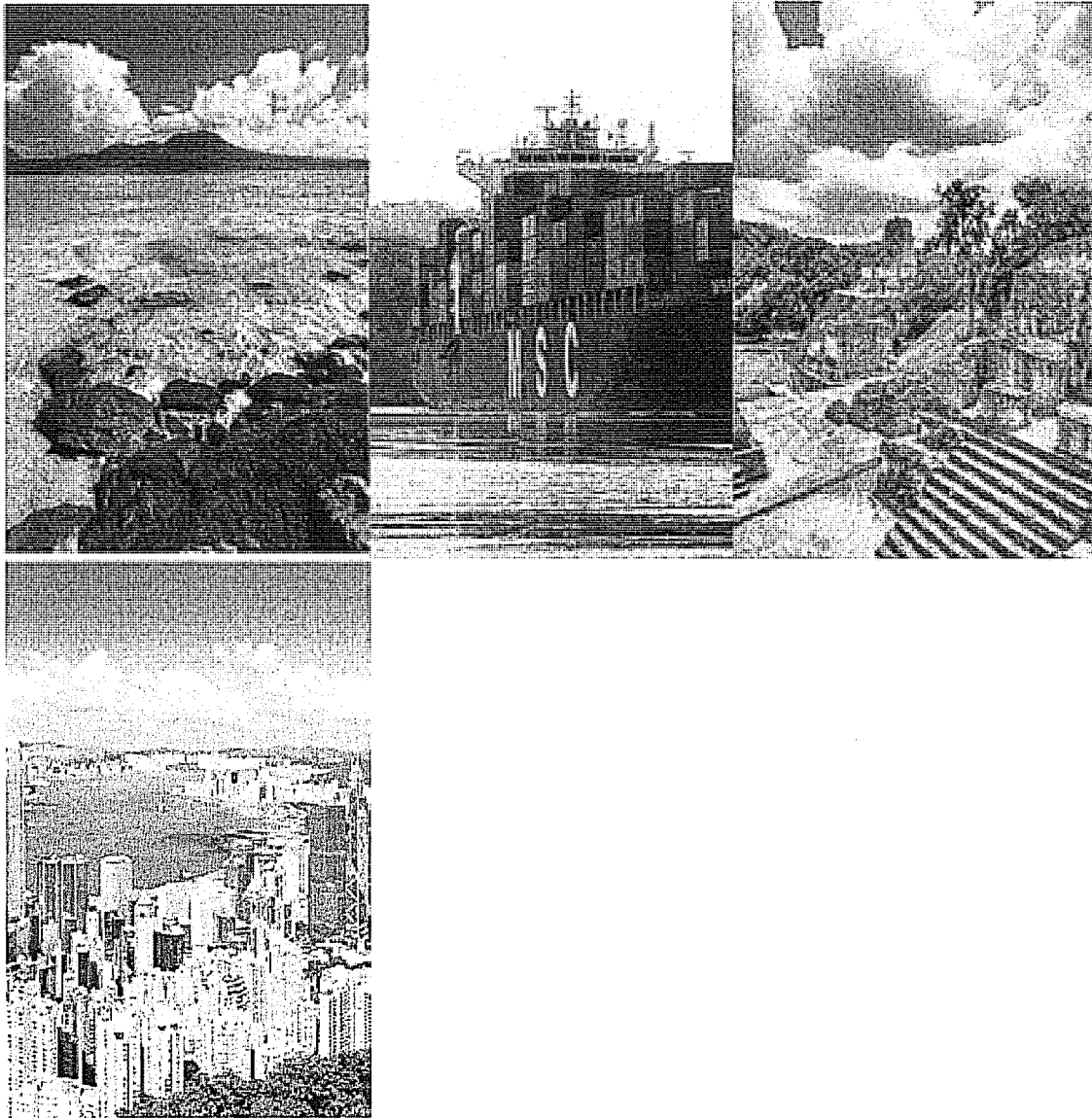
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EXHIBIT 4

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CLERK, U.S. DISTRICT COURT
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BY _____

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

September 2011 Grand Jury

UNITED STATES OF AMERICA,
Plaintiff,
v.

CR No

CR 11 01137

I N D I C T M E N T

[21 U.S.C. § 846: Conspiracy to
Distribute Controlled Substances;
18 U.S.C. § 1956(h): Conspiracy
to Launder Money; 21 U.S.C.
§§ 841(a)(1), (b)(1)(A)(v),
(b)(1)(B)(v), (b)(1)(C):
Distribution of LSD; 18 U.S.C.
§ 2: Aiding and Abetting; 21
U.S.C. § 848: Continuing Criminal
Enterprise; 21 U.S.C. § 853(a):
Criminal Forfeiture]

MARC PETER WILLEMS,
aka "Adam,"
aka "Ruby,"
MICHAEL EVRON,
aka "Keysh,"
JONATHAN COLBECK,
aka "Jay,"
aka "djsfishin,"
RYAN RAWLS,
aka "jootgatter,"
JONATHAN DUGAN,
aka "mollyssecret,"
aka "bigeyedfish34,"
aka "dreamingtrees,"
BRIAN COLBECK,
aka "brnytrbl,"
CHARLES BIGRAS,
aka "phattater," and
GEORGE MATZEK,
aka "mcmurphy813,"
aka "gm8133,"
aka "goldenhorsesshoe-
webdesign,"

Defendants.

1 The Grand Jury charges:

2 GENERAL ALLEGATIONS

3 1. The Internet is a collection of computers and computer
4 networks that are connected to one another via high-speed data
5 links and telephone lines for the purpose of communicating and
6 sharing data and information. Connections between Internet
7 computers exist across state and international borders;
8 therefore, information sent between two computers connected to
9 the Internet frequently crosses state and international borders
10 even where the two computers are located in the same state.

11 2. E-mail, also known as "electronic mail," is a popular
12 means of transmitting messages and/or files in an electronic
13 environment between computer users. When an individual computer
14 user sends e-mail, it is initiated at the user's computer,
15 transmitted to the subscriber's e-mail server, and then
16 transmitted to its final destination. A server is a computer
17 that is attached to a dedicated network and serves many users.
18 An e-mail server may allow users to post and read messages and to
19 communicate via electronic means.

20 3. Many individuals and businesses obtain access to the
21 Internet through businesses known as Internet Service Providers
22 ("ISPs"). ISPs provide their customers with access to the
23 Internet using telephone or other telecommunications lines;
24 provide Internet e-mail accounts that allow users to communicate
25 with other Internet users by sending and receiving electronic
26 messages through the ISP's servers; remotely store electronic
27 files on their customers' behalf; and may provide other services
28 unique to each particular ISP. ISPs maintain records pertaining

1 to the individuals or businesses that have subscriber accounts
2 with them. Those records often include identifying and billing
3 information, account access information in the form of log files,
4 e-mail transaction information, posting information, account
5 application information, and other information both in computer
6 data and written record format.

7 4. An Internet Protocol address (or simply "IP" address)
8 is a unique numeric address assigned to computers using the
9 Internet. An IP address looks like a series of numbers, each in
10 the range of 0-255, separated by periods (e.g., 121.56.97.178).
11 Every computer using the Internet must be assigned an IP address
12 so that Internet traffic sent from and directed to that computer
13 may be properly directed from its source to its destination.
14 Most ISPs control a range of IP addresses to be assigned to their
15 customers' computers.

16 5. At all relevant times, defendants MARC PETER WILLEMS,
17 also known as ("aka") "Adam," aka "Ruby" ("WILLEMS"); MICHAEL
18 EVRON, aka "Keysh" ("EVRON"); JONATHAN COLBECK, aka "Jay," aka
19 "djsfishin" ("JONATHAN COLBECK"); RYAN RAWLS, aka "jootgatter"
20 ("RAWLS"); JONATHAN DUGAN, aka "mollyssecret," aka
21 "bigeyedfish34," aka "dreamingtrees" ("DUGAN"); BRIAN COLBECK,
22 aka "brnytrbl" ("BRIAN COLBECK"); CHARLES BIGRAS, aka "phattater"
23 ("BIGRAS"); and GEORGE MATZEK, aka "mcmurphy813," aka "gm8133,"
24 aka "goldenhorsesshoewebdesign" ("MATZEK") were members of a
25 conspiracy to distribute a variety of controlled substances
26 world-wide through the use of on-line marketplaces that allowed
27 independent sources of supply to anonymously advertise illegal
28 drugs for sale to the public. The operators of the on-line

1 marketplaces provided a controlled substances storefront, order
2 forms, on-line forums, customer service, and payment methods for
3 the different sources of supply. For customers, the operators
4 screened all sources of supply and guaranteed delivery of the
5 illegal drugs. The on-line marketplaces handled all
6 communications between the sources of supply and customers. For
7 these services, the operators charged a commission based upon the
8 value of the order. Customers of the on-line marketplaces have
9 been identified in every one of the states of the United States
10 and the District of Columbia and in approximately 34 other
11 countries. There are thousands of registered users of the on-
12 line marketplaces. The on-line marketplaces have multiple
13 sources of supply offering various controlled substances,
14 including lysergic acid diethylamide ("LSD"), 3,4-
15 methylenedioxymethamphetamine ("MDMA"), fentanyl, mescaline,
16 ketamine, dimethyltryptamine ("DMT"), and high-end marijuana.

17 6. Through approximately 2009, one on-line marketplace,
18 which went by the name Adamflowers, operated primarily via the e-
19 mail address "Adamflowers@Hushmail.com." The operators initially
20 used Hushmail for all communications and orders. Hushmail is a
21 web-based service, operating out of Canada, that offers encrypted
22 electronic mail and instant messaging.

23 7. In approximately January 2010, to improve anonymity,
24 the operators moved their on-line controlled substances
25 marketplace to the TOR network. TOR is a circuit of encrypted
26 connections through relays on the TOR network. TOR can be
27 downloaded for free to any computer. TOR allows websites and
28 electronic mail communications to completely mask IP address

1 information by spreading communications over a series of
2 computers, or relays, located throughout the world. On the TOR
3 network, the on-line controlled substances marketplace was called
4 "The Farmer's Market." The majority of communications between
5 the operators, sources of supply, and customers occurred on The
6 Farmer's Market website via internal private messaging.

7 8. The on-line marketplaces have accepted Western Union,
8 Pecunix, PayPal, I-Golder, and cash as payment for illegal drug
9 sales. Customers who paid in cash for their orders sent the cash
10 to addresses controlled by a co-conspirator. The co-conspirator
11 then collected the cash and forwarded the cash, minus a
12 commission, to the operators via Western Union or other means.
13 The organization referred to the addresses used to accept these
14 cash payments or individuals who accepted these cash payments as
15 "cash drops."

COUNT ONE

[21 U.S.C. § 846]

1. Paragraphs One through Eight of the General Allegations are realleged and incorporated by reference as if fully set forth herein.

A. OBJECTS OF THE CONSPIRACY

Beginning on a date unknown and continuing to on or about November 29, 2011, in Los Angeles County, within the Central District of California, and elsewhere, defendants WILLEMS, EVRON, JONATHAN COLBECK, RAWLS, DUGAN, BRIAN COLBECK, BIGRAS, and MATZEK, and others known and unknown to the Grand Jury, conspired and agreed with each other to knowingly and intentionally:

1. distribute at least 10 grams of a mixture and substance containing a detectable amount of LSD, a Schedule I controlled substance, in violation of Title 21, United States Code, Sections 841(a)(1) and 841(b)(1)(A)(v);

2. distribute a mixture and substance containing a detectable amount of MDMA, a Schedule I controlled substance, in violation of Title 21, United States Code, Sections 841(a)(1) and 841(b)(1)(C);

3. distribute a mixture and substance containing a detectable amount of fentanyl, a Schedule II narcotic drug controlled substance, in violation of Title 21, United States Code, Sections 841(a)(1) and 841(b)(1)(C); and

4. distribute marijuana, a Schedule I controlled substance, in violation of Title 21, United States Code, Sections 841(a)(1) and 841(b)(1)(D).

1 B. MEANS BY WHICH THE OBJECTS OF THE CONSPIRACY WERE TO BE
2 ACCOMPLISHED

3 The objects of the conspiracy were to be accomplished in
4 substance as follows:

5 1. Defendant WILLEMS, with the assistance of defendants
6 EVRON, JONATHAN COLBECK, RAWLS, DUGAN, BRIAN COLBECK, BIGRAS, and
7 MATZEK, and others known and unknown to the Grand Jury, would
8 create, organize, manage, and oversee an on-line marketplace
9 ("Adamflowers," and subsequently "The Farmer's Market,"
10 collectively referred to as the "on-line controlled substances
11 marketplaces") for the distribution of controlled substances
12 throughout the United States and other countries around the
13 world.

14 2. Defendant EVRON would oversee and provide technical and
15 customer support for the on-line controlled substances
16 marketplaces engaged in the distribution of various controlled
17 substances throughout the United States and other countries
18 around the world.

19 3. Defendant JONATHAN COLBECK would obtain marijuana from
20 defendants WILLEMS and EVRON which he, in turn, would supply to
21 customers of the Adamflowers on-line controlled substances
22 marketplace.

23 4. Defendant RAWLS would supply LSD, ketamine, mescaline,
24 DMT, and other controlled substances to customers of the
25 Adamflowers on-line controlled substances marketplace.

26 5. Defendant DUGAN would supply LSD, MDMA, and other
27 controlled substances to defendant WILLEMS and customers of the
28 Adamflowers on-line controlled substances marketplace.

1 6. Defendant WILLEMS would instruct customers wishing to
2 purchase controlled substances from the on-line controlled
3 substances marketplaces to send their payments in the names of
4 various individuals in Budapest, Hungary, via Western Union, to
5 bank accounts held by Sovereign Management and Legal, S.A., based
6 in Panama, for transfer to a pre-paid debit card account
7 accessible by defendant WILLEMS.

8 7. Defendants WILLEMS and EVRON would oversee the
9 collection of customer payments for controlled substances
10 purchased from the on-line controlled substances marketplaces and
11 the remittance of payments to suppliers of the controlled
12 substances sold from the on-line controlled substances
13 marketplaces.

14 8. Between December 2008 and December 2009, defendant
15 WILLEMS would pay himself, defendant EVRON, and suppliers of
16 controlled substances sold from the on-line controlled substances
17 marketplaces a total of at least approximately \$118,575 and
18 49,511 euros using Pecunix.

19 9. Defendants WILLEMS and EVRON would recruit new sources
20 of supply to supply controlled substances sold by the on-line
21 controlled substances marketplaces.

22 10. Between January 2007 and October 2009, defendants
23 WILLEMS and EVRON would process approximately 5,256 on-line
24 orders for controlled substances valued at approximately
25 \$1,041,244 via the on-line controlled substances marketplaces.

26 11. Between May 2008 and May 2010, defendants WILLEMS and
27 EVRON would receive approximately 608 Western Union orders as
28 payments for shipments of controlled substances via the on-line

1 controlled substances marketplaces totaling approximately
2 \$200,031.

3 12. Between January 2008 and August 2011, defendants
4 WILLEMS and EVRON would distribute, and aid and abet the
5 distribution of, at least 29,285 hits and 63 grams of LSD, via
6 the on-line controlled substances marketplaces.

7 13. Between March and September 2009, defendants WILLEMS
8 and EVRON would distribute, and aid and abet the distribution of,
9 at least 148 grams of MDMA powder, via the on-line controlled
10 substances marketplaces.

11 14. Between March 2008 and June 2010, defendants WILLEMS
12 and EVRON would distribute, and aid and abet the distribution of,
13 at least 1,489 ounces of marijuana through approximately 3,111
14 individual sales, via the on-line controlled substances
15 marketplaces.

16 15. During July 2009, defendants WILLEMS and EVRON would
17 distribute, and aid and abet the distribution of, at least 350
18 units of fentanyl, via the on-line controlled substances
19 marketplaces.

20 16. Defendant EVRON would order hashish from the
21 Adamflowers on-line controlled substances marketplace.

22 17. Defendant JONATHAN COLBECK would serve as a cash drop
23 for the on-line controlled substances marketplaces by accepting
24 payments for orders of controlled substances from customers and
25 forwarding the payments, less his commission, to defendant
26 WILLEMS and unindicted coconspirators who supplied controlled
27 substances distributed via the on-line controlled substances
28 marketplaces.

1 18. Between November 2008 and May 2010, defendant JONATHAN
2 COLBECK would mail from Iowa to defendant WILLEMS in the
3 Netherlands approximately 134 separate envelopes containing a
4 total of approximately \$124,310, 11,125 euros, and 2,088 British
5 pounds, which represented payments for prior orders of controlled
6 substances made via the on-line controlled substances
7 marketplaces.

8 19. Between December 2008 and March 2010, defendant
9 JONATHAN COLBECK would send defendant WILLEMS a total of
10 approximately 36 Western Union orders totaling approximately
11 \$47,652 as payments for shipments of controlled substances
12 distributed via the on-line controlled substances marketplaces.

13 20. Between April 2011 and August 2011, defendant BRIAN
14 COLBECK would receive approximately \$261,029 in Paypal transfers
15 from customers of The Farmer's Market for purchases of controlled
16 substances, including \$2,160 for the purchase of over 30 grams of
17 LSD by an agent of the Drug Enforcement Administration ("DEA")
18 acting in an undercover capacity (the "UC"), and would send
19 approximately \$54,000 from his Paypal account to defendant
20 JONATHAN COLBECK and other unindicted co-conspirators.

21 21. Between October 2010 and May 2011, defendant BRIAN
22 COLBECK would wire transfer a total of approximately \$60,034 in
23 funds received from customers of The Farmer's Market from
24 Michigan to foreign countries.

25 22. Between July 2010 and March 2011, defendant BIGRAS
26 would receive approximately \$81,809 of Paypal transfers from
27 customers of The Farmer's Market for purchases of controlled
28 substances, and would send approximately \$20,108 from his Paypal

1 account, which included payments to an unindicted co-
2 conspirator.

3 23. Between June 2010 and December 2011, defendant BIGRAS
4 would wire transfer a total of approximately \$76,398 in funds
5 received from customers of The Farmer's Market from Palm Bay,
6 Florida, to foreign countries.

7 24. Between October 2010 and July 2011, defendant MATZEK
8 would receive approximately \$186,221 of Paypal transfers from
9 customers of The Farmer's Market for purchases of controlled
10 substances and would send approximately \$14,560 from his Paypal
11 account, which included payments to defendant BRIAN COLBECK and
12 other unindicted co-conspirators.

13 25. Between September 2010 and June 2011, defendant MATZEK
14 would wire transfer a total of approximately \$119,721 in funds
15 received from customers of The Farmer's Market from Secaucus, New
16 Jersey, and Florida to foreign countries.

17 C. OVERT ACTS

18 In furtherance of the conspiracy and to accomplish the
19 objects of the conspiracy, on or about the following dates,
20 defendants WILLEMS, EVRON, JONATHAN COLBECK, RAWLS, DUGAN, BRIAN
21 COLBECK, BIGRAS, and MATZEK, and others known and unknown to the
22 Grand Jury, committed various overt acts within the Central
23 District of California, and elsewhere, including but not limited
24 to the following:

25 1. On March 7, 2006, using coded language in an e-mail
26 communication, defendant EVRON advised defendant WILLEMS of the
27 IP address for their on-line controlled substances marketplace
28

1 and instructed defendant WILLEMS how to input the necessary
2 passwords to use the website.

3 2. On July 13, 2006, using coded language in an e-mail
4 communication, defendant EVRON told defendant WILLEMS that their
5 on-line controlled substances marketplace should be operational
6 by the end of the following week if defendant WILLEMS was able to
7 successfully install and configure an e-mail program for
8 Hushmail.

9 3. On October 2, 2006, using coded language in an e-mail
10 communication, defendant EVRON directed defendant WILLEMS to
11 refer to him as "Keysh" in all written communications.

12 4. On January 12, 2007, using coded language in an e-mail
13 communication, defendant EVRON told defendant WILLEMS that their
14 controlled substances sales were much better that week and they
15 would be rich soon if sales continued to grow at the same level.

16 5. On March 1, 2007, using coded language in an e-mail
17 communication, defendant EVRON informed unidentified controlled
18 substances suppliers how to package their controlled substances
19 and instructed them how controlled substances orders would
20 appear, be processed, and get tracked on the on-line marketplace.

21 6. On April 30, 2007, using coded language in an e-mail
22 communication, defendant EVRON told defendant WILLEMS that he
23 believed Pecunix and Virtualgold were the best means of accepting
24 payment for controlled substances because they did not verify
25 identification information.

26 7. On June 27, 2007, defendant JONATHAN COLBECK wired
27 \$1,200 to R.P. in Lelystad, Netherlands, via Western Union.

1 8. On July 30, 2007, defendant JONATHAN COLBECK wired
2 \$1,000 to defendant WILLEMS in Lelystad, Netherlands, via Western
3 Union.

4 9. On August 12, 2007, using coded language in an
5 electronic communication, defendant WILLEMS told an unidentified
6 individual that he had written a computer program that generated
7 between 3,000 and 20,000 euros per month, which he received
8 through bank wires, Western Union transfers, e-gold, Pecunix, and
9 cash, and that he was looking for ways to avoid paying taxes on
10 these funds without drawing the attention of European or other
11 governments.

12 10. On August 19, 2007, using coded language in an e-mail
13 communication, defendant WILLEMS directed an unindicted co-
14 conspirator to send payment for a controlled substances order via
15 Western Union to his wife in Rio de Janeiro, Brazil.

16 11. On September 11, 2007, using coded language in an e-
17 mail communication, defendant WILLEMS directed an unindicted co-
18 conspirator to send payment for an order of 100 hits of LSD and
19 four units of marijuana via Western Union to him in the
20 Netherlands.

21 12. On October 8, 2007, using coded language in an e-mail
22 communication, defendant EVRON advised defendant WILLEMS that he
23 believed Hushmail was an encrypted and safe method of
24 communication and that Hushmail would not produce e-mails to law
25 enforcement officers.

26 13. On October 15, 2007, using coded language in an e-mail
27 communication, defendant WILLEMS directed an unindicted co-
28 conspirator to send \$1,200 via Western Union as payment for an

1 order of hashish and LSD to him in the Netherlands instead of to
2 Panama.

3 14. On November 5, 2007, defendant JONATHAN COLBECK wired
4 \$950 to defendant WILLEMS' wife in Rio de Janeiro, Brazil, via
5 Western Union.

6 15. On November 16, 2007, using coded language in an e-mail
7 communication, defendant EVRON offered to assist a potential
8 controlled substances source of supply with configuring and
9 operating the computer software and hardware necessary to use the
10 on-line controlled substances marketplace.

11 16. On February 25, 2008, using coded language in an e-mail
12 communication, defendant WILLEMS told an unindicted co-
13 conspirator in Panama that she should have received a total of
14 \$19,834 since January 1, 2008, via Western Union, for loading
15 onto a pre-paid debit card, bearing account number ####-####-
16 ####-3101, in the name R.G.P.

17 17. On August 27, 2008, defendant JONATHAN COLBECK wired
18 \$1,000 to defendant WILLEMS' wife in Rio de Janeiro, Brazil, via
19 Western Union.

20 18. On September 10, 2008, using coded language in a series
21 of e-mail communications, defendant WILLEMS asked whether an
22 unindicted co-conspirator could make payment for a recent
23 controlled substances shipment to an address in Singapore, and
24 the unindicted co-conspirator told defendant WILLEMS that he had
25 sent \$1,230 as payment for four ounces of marijuana to him in the
26 Netherlands via Western Union.

1 19. On September 23, 2008, defendant JONATHAN COLBECK wired
2 \$1,700 to defendant WILLEMS' wife in Rio de Janeiro, Brazil, via
3 Western Union.

4 20. On October 13, 2008, using coded language in an e-mail
5 communication, defendant WILLEMS told an unindicted co-
6 conspirator in Panama that she should have received a total of
7 \$1,816 via Western Union from individuals in Wisconsin, Illinois,
8 Texas, and the United Kingdom; and defendant WILLEMS asked the
9 unindicted co-conspirator to load the funds onto a pre-paid debit
10 card, bearing account number ####-####-####-3101, in the name
11 R.G.P. as soon as possible.

12 21. On November 5, 2008, using coded language in an e-mail
13 communication, defendant EVRON advised defendant WILLEMS that he
14 had a friend who was interested in selling as much LSD and MDMA
15 as they could supply and asked defendant WILLEMS for bulk pricing
16 on LSD and MDMA.

17 22. On November 6, 2008, using coded language in an e-mail
18 communication, defendant EVRON told defendant WILLEMS to send a
19 one-ounce order of hashish to his mailbox in Costa Rica.

20 23. On November 19, 2008, using coded language in an e-mail
21 communication, defendant EVRON told defendant WILLEMS that he
22 would take over controlled substances order processing and
23 customer support for a larger percentage of their profits, which
24 he hoped would increase their controlled substances sales and
25 profits.

26 24. On November 27, 2008, using coded language in an e-mail
27 communication, defendant WILLEMS told an unindicted co-
28 conspirator that he would advise the unindicted co-conspirator if

1 the marijuana, marijuana edibles, and hashish the unindicted co-
2 conspirator supplied was of sufficient quality when he received
3 the shipment.

4 25. On November 29, 2008, using coded language in an e-mail
5 communication, defendant WILLEMS told an unindicted co-
6 conspirator to send cash payments in the United States to
7 defendant JONATHAN COLBECK's address in Cedar Rapids, Iowa, and
8 to send cash payments in Europe to defendant WILLEMS' address in
9 Lelystad, Netherlands.

10 26. On December 13, 2008, using coded language in a series
11 of e-mail communications, defendant WILLEMS told an unindicted
12 co-conspirator that he would start shipping controlled substances
13 to the unindicted co-conspirator the following day and directed
14 the unindicted co-conspirator to send payment to defendant
15 WILLEMS' name, not the name "jozef."

16 27. On January 8, 2009, using coded language in an e-mail
17 communication, defendant WILLEMS offered to provide defendant
18 JONATHAN COLBECK with 25% of the gross sales conducted through
19 defendant JONATHAN COLBECK's menus on their on-line controlled
20 substances marketplace.

21 28. On January 16, 2009, using coded language in a series
22 of e-mail communications, defendant WILLEMS told an unindicted
23 co-conspirator that the prices had dropped for LSD and that he
24 would have the unindicted co-conspirator's on-line controlled
25 substances menu available for customers in the United States
26 quickly if the unindicted co-conspirator was still interested in
27 selling controlled substances in the United States.

1 29. On February 3, 2009, defendant RAWLS wired \$800 via
2 Western Union to A.F. in Budapest, Hungary.

3 30. On February 5, 2009, defendant BIGRAS wired \$85 via
4 Western Union from Palm Bay, Florida, to A.F. in Budapest,
5 Hungary.

6 31. On February 17, 2009, defendant BIGRAS wired \$80 via
7 Western Union from Palm Bay, Florida, to A.F. in Budapest,
8 Hungary.

9 32. On February 17, 2009, defendant RAWLS wired \$1,100 via
10 Western Union to A.F. in Budapest, Hungary.

11 33. On February 26, 2009, defendant BIGRAS wired \$100 via
12 Western Union from Palm Bay, Florida, to A.F. in Budapest,
13 Hungary.

14 34. On March 9, 2009, defendant JONATHAN COLBECK wired
15 \$1,000 via Western Union to B.P. in Budapest, Hungary.

16 35. On March 9, 2009, using coded language in an e-mail
17 communication, defendant WILLEMS told an unindicted co-
18 conspirator in Panama that she should have received \$1,000 from a
19 sender in Iowa and asked her to load the funds onto a pre-paid
20 debit card, bearing account number ####-####-####-3101, in the
21 name R.G.P.

22 36. On March 19, 2009, defendants WILLEMS and EVRON agreed
23 to ship 25 hits of LSD to the UC in Los Angeles, California, whom
24 they believed was an LSD customer, in exchange for \$180 to be
25 sent via Western Union to A.F. in Budapest, Hungary.

26 37. On March 25, 2009, defendant BIGRAS wired \$116 via
27 Western Union from Palm Bay, Florida, to A.F. in Budapest,
28 Hungary.

1 38. On March 26, 2009, defendant BIGRAS wired \$100 via
2 Western Union from Palm Bay, Florida, to A.F. in Budapest,
3 Hungary.

4 39. On March 28, 2009, defendant BIGRAS wired \$125 via
5 Western Union from Palm Bay, Florida, to A.F. in Budapest,
6 Hungary.

7 40. On March 29, 2009, using coded language in an e-mail
8 communication, defendant DUGAN told an unidentified co-
9 conspirator that he had 85% pure MDMA available that cost between
10 \$120 and \$175 per gram in his area and that he was willing to
11 exchange it for marijuana edibles.

12 41. On March 31, 2009, using coded language in an e-mail
13 communication, defendant DUGAN told defendant EVRON that he had
14 wired \$1,110 via Western Union as payment for three-quarters of a
15 pound of marijuana and 25 hits of LSD.

16 42. On April 2, 2009, using coded language in an e-mail
17 communication, defendant BIGRAS told defendant WILLEMS that he
18 had received an order for marijuana.

19 43. On April 5, 2009, using coded language in an e-mail
20 communication, defendant DUGAN advised an unidentified co-
21 conspirator how to properly ingest his MDMA powder for the
22 maximum effect and stated that he never diluted his MDMA.

23 44. On April 8, 2009, using coded language in an e-mail
24 communication, defendant EVRON told the UC that he should still
25 wire payment for controlled substances to A.F. in Budapest,
26 Hungary.

27 45. On April 9, 2009, using coded language in an e-mail
28 communication, defendant DUGAN told an unidentified co-

1 conspirator that he was selling LSD for \$15 per hit and MDMA in
2 half-gram quantities for \$80 or gram quantities for \$150.

3 46. On April 10, 2009, defendants WILLEMS and EVRON agreed
4 to ship 100 hits of LSD to the UC in Los Angeles, California, in
5 exchange for \$600 to be sent via Western Union to A.F. in
6 Budapest, Hungary.

7 47. On April 13, 2009, defendant BIGRAS wired \$190 via
8 Western Union from Palm Bay, Florida, to A.F. in Budapest,
9 Hungary.

10 48. On April 15, 2009, using coded language in an e-mail
11 communication, defendant DUGAN told defendant EVRON that he
12 wanted to order one-half pound of marijuana, one sheet of LSD,
13 and eight units of psilocybin mushrooms.

14 49. On April 16, 2009, defendant DUGAN wired \$1,930 via
15 Western Union to A.F. in Budapest, Hungary, as payment for six
16 ounces of marijuana, 100 hits of LSD, and two units of psilocybin
17 mushrooms.

18 50. On April 17, 2009, using coded language in an e-mail
19 communication, defendant JONATHAN COLBECK told defendant EVRON
20 that one of the cash orders had been miscounted and failed to
21 include \$100.

22 51. On April 28, 2009, using coded language in an e-mail
23 communication, defendant DUGAN told defendant EVRON that he had
24 plenty of MDMA available and would like to become a controlled
25 substances vendor on the Adamflowers marketplace.

26 52. On April 28, 2009, using coded language in an e-mail
27 communication, defendant EVRON provided defendant DUGAN with the
28

1 details about how defendants EVRON and WILLEMS conducted business
2 with controlled substances vendors.

3 53. On April 29, 2009, using coded language in an e-mail
4 communication, defendant DUGAN told defendant EVRON that he could
5 obtain one kilogram of MDMA if defendant EVRON thought that
6 amount would sell quickly.

7 54. On April 29, 2009, using coded language in an e-mail
8 communication, defendant DUGAN told defendant EVRON that he
9 packaged and delivered his controlled substances carefully and
10 wrapped the controlled substances in the same manner as
11 defendants WILLEMS and EVRON.

12 55. On April 29, 2009, using coded language in an e-mail
13 communication, defendant WILLEMS told defendant EVRON that LSD
14 was in stock and MDMA was available, and defendant WILLEMS asked
15 defendant EVRON to send him \$1,000 worth of Pecunix in order to
16 pay for a computer server.

17 56. On April 30, 2009, using coded language in an e-mail
18 communication, defendant DUGAN told defendant EVRON that he was
19 selling LSD quickly and asked defendant EVRON to send him an
20 additional 280 hits of LSD the following day.

21 57. On April 30, 2009, using coded language in an e-mail
22 communication, defendant DUGAN told defendant EVRON that he would
23 ship out a controlled substances order the next day and informed
24 defendant EVRON that he had obtained 28 additional grams of MDMA.

25 58. On May 1, 2009, using coded language in an e-mail
26 communication, defendant EVRON informed customers and controlled
27 substances suppliers about how to access and use their on-line
28 controlled substances marketplace and instructed them to direct

1 any questions regarding controlled substances orders to
2 adamflowers@hush.ai.

3 59. On May 1, 2009, using coded language in an e-mail
4 communication, defendant EVRON told the UC that they did not
5 accept cash as payment for LSD.

6 60. On May 1, 2009, using coded language in an e-mail
7 communication, defendant WILLEMS told an unindicted co-
8 conspirator in Panama that she should have received \$800 from a
9 sender in Iowa and asked her to load the funds onto a pre-paid
10 debit card, bearing account number ####-####-####-3101, in the
11 name R.G.P.

12 61. On May 3, 2009, using coded language in an e-mail
13 communication, defendant DUGAN told defendant WILLEMS to send him
14 125 hits of LSD to an address on Garnet Street in North Babylon,
15 New York.

16 62. On May 5, 2009, defendants WILLEMS and EVRON agreed to
17 ship 10.5 grams and 20 doses of MDMA to the UC in Los Angeles,
18 California, in exchange for \$630 and \$456, respectively, to be
19 sent via Western Union to A.F. and P.B. in Budapest, Hungary.

20 63. On May 7, 2009, defendant BIGRAS wired \$475 via Western
21 Union from Palm Bay, Florida, to A.F. in Budapest, Hungary.

22 64. On May 8, 2009, using coded language in an e-mail
23 communication, defendant WILLEMS asked the UC to change the
24 receiver name on the Western Union payment for his recent order
25 of MDMA from P.B. to B.P. so defendant WILLEMS could collect the
26 funds.

27 65. On May 8, 2009, using coded language in an e-mail
28 communication, defendant WILLEMS told an unindicted co-

1 conspirator in Panama that she should have received a total of
2 \$3,965 via Western Union from individuals in Georgia, Tennessee,
3 North Carolina, Colorado, Texas, Arizona, and Long Beach,
4 California; and defendant WILLEMS asked the unindicted co-
5 conspirator to load the funds onto a pre-paid debit card, bearing
6 account number ####-####-####-3101, in the name R.G.P.

7 66. On May 8, 2009, using coded language in an e-mail
8 communication, defendant WILLEMS told defendant EVRON that he
9 earned \$2,935 based upon \$29,350 of controlled substances sales
10 that week and that he had \$1,935 transferred to his account, so
11 he owed defendant EVRON \$1,000.

12 67. On May 8, 2009, using coded language in an e-mail
13 communication, defendant DUGAN told the UC that he should receive
14 two grams of MDMA within one week and offered to sell MDMA for
15 \$170 per gram.

16 68. On May 10, 2009, defendant EVRON transferred 282 gold
17 administration units via Pecunix from keysh@hush.ai into a
18 business account in the name evronm@dtcinc.net.

19 69. On May 11, 2009, using coded language in an e-mail
20 communication, defendant WILLEMS told an unindicted co-
21 conspirator in Panama that she should have received a total of
22 \$1,416 via Western Union from individuals in Minnesota, Texas,
23 Virginia, Illinois, and Los Angeles, California; and defendant
24 WILLEMS asked the unindicted co-conspirator to load the funds
25 onto a pre-paid debit card, bearing account number ####-####-
26 ####-3101, in the name R.G.P.

27 70. On May 11, 2009, using coded language in an e-mail
28 communication, defendant DUGAN told defendant EVRON that his

1 controlled substances menu under the name "Dreaming Trees" was
2 operational.

3 71. On May 13, 2009, using coded language in a series of e-
4 mail communications, defendant WILLEMS asked an unindicted co-
5 conspirator in Panama whether he could have dollars from
6 controlled substances customers delivered to the bank in
7 Budapest, Hungary, and have this money loaded onto a pre-paid
8 debit card in future transactions, and the unindicted co-
9 conspirator told defendant WILLEMS that they could accept \$5,000
10 cash deposits in the Hungary account only once per month.

11 72. On May 14, 2009, using coded language in an e-mail
12 communication, defendant DUGAN told an unidentified co-
13 conspirator in Denver, Colorado, that he was an external vendor
14 for Adamflowers and sold high-quality MDMA for \$175 per gram
15 shipped.

16 73. On May 14, 2009, using coded language in an e-mail
17 communication, defendant EVRON advised the UC that the MDMA order
18 the UC placed on May 5 should ship in the next few days.

19 74. On May 14, 2009, using coded language in an e-mail
20 communication, defendant WILLEMS told an unindicted co-
21 conspirator in Panama that his records showed that she should
22 have received a total of \$6,550 via Western Union from
23 individuals in Iowa, North Carolina, Georgia, Connecticut,
24 Florida, Kentucky, New York, Tennessee, Colorado, Texas, and Long
25 Beach, California, and that he should have another \$1,670
26 available for pick-up which was sent by individuals in Arizona,
27 Minnesota, Texas, Virginia, Illinois, and Los Angeles,
28 California.

1 75. On May 14, 2009, defendant BIGRAS wired \$195 via
2 Western Union from Palm Bay, Florida, to A.F. in Budapest,
3 Hungary.

4 76. On May 16, 2009, using coded language in an e-mail
5 communication, defendant WILLEMS apologized to the UC for the
6 delay in filling the UC's May 5 MDMA order.

7 77. On May 16, 2009, using coded language in an e-mail
8 communication, defendant DUGAN advised his controlled substances
9 customers that he had decided to start accepting Western Union as
10 a method of paying for controlled substances.

11 78. On May 17, 2009, using coded language in an e-mail
12 communication, an unidentified co-conspirator in Tennessee told
13 defendant DUGAN that he sent \$400 via Western Union to defendant
14 DUGAN in the name of N.S. in North Babylon, New York, for two
15 grams of MDMA and other controlled substances.

16 79. On May 18, 2009, using coded language in an e-mail
17 communication, defendant DUGAN told an unidentified co-
18 conspirator that he had received \$350 as payment for two grams of
19 MDMA.

20 80. On May 20, 2009, using coded language in an e-mail
21 communication, defendant DUGAN told an unidentified co-
22 conspirator to send a controlled substances payment via Western
23 Union to M.B. in Northport, New York.

24 81. On May 20, 2009, using coded language in an e-mail
25 communication, defendant DUGAN told the UC that he had received
26 the UC's order for five grams of MDMA and advised the UC that he
27 could make a payment via Western Union to M.B. in Northport, New
28 York.

1 82. On May 20, 2009, defendants WILLEMS and EVRON agreed to
2 supply five grams of MDMA to the UC in Los Angeles, California,
3 in exchange for \$825 in cash to be sent by mail in the name of
4 "John Dee" in North Babylon, New York.

5 83. On May 26, 2009, defendant DUGAN agreed to supply H.S.,
6 who was then 19 years old, .5 grams of MDMA for shipment to Fort.
7 Collins, Colorado.

8 84. On May 28, 2009, defendant BIGRAS wired \$275 via
9 Western Union from Palm Bay, Florida, to A.F. in Budapest,
10 Hungary.

11 85. On May 29, 2009, using coded language in an e-mail
12 communication, an unidentified co-conspirator ordered from
13 defendant DUGAN 25 hits of LSD for \$250 and one gram of MDMA for
14 shipment to Scottsdale, Arizona.

15 86. On June 6, 2009, using coded language in an e-mail
16 communication, defendant JONATHAN COLBECK told defendant WILLEMS
17 that, by September, he would have two additional post office
18 boxes to receive cash orders through the holidays.

19 87. On June 10, 2009, using coded language in an e-mail
20 communication, an unidentified co-conspirator told defendant
21 DUGAN that he had sent defendant DUGAN \$1,975 via Western Union
22 for five sheets of LSD for shipment to Sugar Land, Texas.

23 88. On June 10, 2009, using coded language in an e-mail
24 communication, defendants WILLEMS and EVRON told the UC that,
25 because they had received a large number of MDMA orders which had
26 caused delays in their ability to fill orders, they would be
27 willing to fill the UC's May 5, 2009 order for 10 grams of MDMA,
28 send him a refund for the order, or offer the UC a credit in the

1 amount of his order towards the purchase of LSD, hashish, or
2 marijuana.

3 89. On June 11, 2009, defendants WILLEMS and EVRON received
4 an e-mail communication containing coded language from the UC
5 stating that the UC would like to take the credit from his May 5
6 MDMA order and buy LSD instead.

7 90. On June 14, 2009, using coded language in an e-mail
8 communication, defendant MATZEK provided defendant WILLEMS with
9 his zip code in connection with his order for one and one-half
10 grams of marijuana.

11 91. On June 16, 2009, defendants WILLEMS and EVRON agreed
12 to ship 100 hits of LSD to the UC in Los Angeles, California, in
13 place of the MDMA the UC ordered on May 5, 2009.

14 92. On June 16, 2009, using coded language in an e-mail
15 communication, defendant BIGRAS told defendant WILLEMS that he
16 had placed an order that day.

17 93. On June 16, 2009, defendant BIGRAS wired \$420 via
18 Western Union from Palm Bay, Florida, to A.F. in Budakalasz,
19 Hungary.

20 94. On June 25, 2009, using coded language in an e-mail
21 communication, defendant BIGRAS told defendant WILLEMS that he
22 had received one-half ounce of marijuana that he had ordered but
23 was still waiting to receive the other one-half ounce.

24 95. On July 6, 2009, defendant BIGRAS wired \$365 via
25 Western Union from Palm Bay, Florida, to A.F. in Budakalasz,
26 Hungary.

1 96. On July 10, 2009, defendants WILLEMS and EVRON agreed
2 to supply A.S., who was then 19 years old, 25 hits of LSD for
3 shipment to Oak Creek, Wisconsin.

4 97. On July 11, 2009, defendants WILLEMS and DUGAN agreed
5 to supply J.R., who was then 18 years old, .5 grams of MDMA for
6 shipment to Land O Lakes, Florida.

7 98. On July 12, 2009, using coded language in an e-mail
8 communication, defendant DUGAN asked an unidentified co-
9 conspirator whether he could send two separate Western Union
10 transfers of \$555 each that day as payment for a controlled
11 substances shipment.

12 99. On July 13, 2009, defendant WILLEMS paid defendant
13 EVRON 55.6154 gold administration units, which was the equivalent
14 of \$1,625, via Pecunix.

15 100. On July 16, 2009, defendant BIGRAS wired \$385 via
16 Western Union from Palm Bay, Florida, to A.F. in Budakalas,
17 Hungary.

18 101. On July 18, 2009, defendant WILLEMS paid defendant
19 EVRON 36.4870 gold administration units, which was the equivalent
20 of \$1,100, via Pecunix.

21 102. On July 20, 2009, using coded language in an e-mail
22 communication, defendant DUGAN agreed to sell the UC seven grams
23 of MDMA for \$1,050 because the UC was a good customer.

24 103. On July 20, 2009, using coded language in an e-mail
25 communication, defendant DUGAN told the UC to send \$1,050 in cash
26 for seven grams of MDMA to Constantly Wired in North Babylon, New
27 York.

1 104. On July 28, 2009, using coded language in an e-mail
2 communication, defendant JONATHAN COLBECK told defendants WILLEMS
3 and EVRON that he had received a total of \$1,610 in cash for
4 seven different controlled substances orders.

5 105. On July 29, 2009, using coded language in an e-mail
6 communication, defendant DUGAN advised the UC that he had shipped
7 seven grams of MDMA to the UC in Los Angeles, California.

8 106. On July 31, 2009, using coded language in an e-mail
9 communication, defendant EVRON ordered an ounce of marijuana from
10 the on-line controlled substances marketplace to be shipped to
11 Buenos Aires, Argentina.

12 107. On August 1, 2009, using coded language in an e-mail
13 communication, defendant WILLEMS advised defendant JONATHAN
14 COLBECK that Adamflowers could start accepting cash payments for
15 LSD in order to increase defendant JONATHAN COLBECK's income from
16 serving as a cash drop.

17 108. On August 7, 2009, using coded language in an e-mail
18 communication, defendant RAWLS asked defendant WILLEMS what the
19 price for a quarter pound of high-quality marijuana would be if
20 paid for via Western Union.

21 109. On August 8, 2009, defendants WILLEMS and EVRON agreed
22 to supply S.K., who was then 20 years old, 10 hits of LSD for
23 shipment to Cullowhee, North Carolina.

24 110. On August 10, 2009, using coded language in an e-mail
25 communication, defendant JONATHAN COLBECK told defendant WILLEMS
26 that he should not try to send 16 letters containing cash in an
27 eight-day period in order to minimize the risk of getting caught
28 by law enforcement and asked defendant WILLEMS to send controlled

1 substances to each of his post office boxes, but only cash to the
2 post office boxes in Center Point and Vinton, Iowa.

3 111. On August 18, 2009, defendant BIGRAS wired \$235 via
4 Western Union from Palm Bay, Florida, to A.F. in Budakalasz,
5 Hungary.

6 112. On August 21, 2009, defendant WILLEMS paid defendant
7 EVRON 69.1743 gold administration units, which was the equivalent
8 of 1,465 euros, via Pecunix.

9 113. On August 21, 2009, defendant WILLEMS paid an
10 unindicted co-conspirator in Scotland, who was an LSD supplier,
11 38.7088 gold administration units, which was the equivalent of
12 820 euros, via Pecunix.

13 114. On August 24, 2009, defendant EVRON, via Pecunix,
14 transferred 263.8409 gold administration units, which was the
15 equivalent of \$8,000, from keysh@hush.ai into a business account
16 in the name evronm@dtcinc.net.

17 115. On August 24, 2009, defendants WILLEMS and EVRON agreed
18 to ship two units of hashish oil to defendant JONATHAN COLBECK at
19 his address on Virden Street in Urbana, Iowa.

20 116. On September 3, 2009, using coded language in an e-mail
21 communication, defendant BRIAN COLBECK told defendant JONATHAN
22 COLBECK that he had made a controlled substances payment of
23 \$427.65 via PayPal.

24 117. On September 4, 2009, defendant WILLEMS paid an
25 unindicted co-conspirator in Scotland, who was an LSD supplier,
26 7.5508 gold administration units, which was the equivalent of 168
27 euros, via Pecunix.

1 118. On September 7, 2009, using coded language in an e-mail
2 communication, defendant WILLEMS asked defendant JONATHAN COLBECK
3 to send \$1,000 to an unindicted controlled substances supplier at
4 a post office box in North Babylon, New York, and to send the
5 package with "tracking, but no signature required."

6 119. On September 9, 2009, using coded language in an e-mail
7 communication, defendant BRIAN COLBECK told defendant JONATHAN
8 COLBECK that he had just placed a controlled substances order and
9 would make the payment via PayPal.

10 120. On September 9, 2009, using coded language in an e-mail
11 communication, defendant BRIAN COLBECK told defendant JONATHAN
12 COLBECK that he had made a controlled substances payment of
13 \$211.67 via PayPal.

14 121. On September 11, 2009, defendants WILLEMS and EVRON
15 agreed to supply S.K., who was then 20 years old, 10 hits of LSD
16 for shipment to Cullowhee, North Carolina.

17 122. On September 12, 2009, using coded language in an
18 e-mail communication, defendant JONATHAN COLBECK asked an
19 unindicted controlled substances supplier to mail him marijuana
20 at his address on Virden Street in Urbana, Iowa.

21 123. On September 20, 2009, using coded language in an
22 e-mail communication, defendant JONATHAN COLBECK advised
23 defendant WILLEMS that he would send defendant WILLEMS a coded
24 e-mail if he were to get apprehended by law enforcement officers.

25 124. On September 21, 2009, defendants WILLEMS and EVRON
26 agreed to ship 500 hits of LSD to the UC in Los Angeles,
27 California, in exchange for \$2,500 to be sent via Western Union
28 to A.F. in Budapest, Hungary.

1 125. On September 22, 2009, defendant BIGRAS wired \$160 via
2 Western Union from Palm Bay, Florida, to A.F. in Budakalasz,
3 Hungary.

4 126. On September 23, 2009, defendant JONATHAN COLBECK wired
5 \$1,700 via Western Union to defendant WILLEMS' wife in Rio de
6 Janeiro, Brazil.

7 127. On September 24, 2009, using coded language in an e-
8 mail communication, defendant BRIAN COLBECK told defendant
9 JONATHAN COLBECK that he had made a controlled substances payment
10 of \$151.95 via PayPal.

11 128. On September 25, 2009, defendants WILLEMS and EVRON
12 agreed to ship one-half ounce of marijuana, one-eighth ounce of
13 marijuana, and two vials of marijuana oil to the UC in Los
14 Angeles, California, in exchange for \$288, \$189, and \$120,
15 respectively, all to be paid in cash and sent by mail to B.C. at
16 a post office box in Center Point, Iowa.

17 129. On September 25, 2009, using coded language in an
18 e-mail communication, defendant WILLEMS asked defendant JONATHAN
19 COLBECK to send \$450 to an unindicted controlled substances
20 supplier at a post office box in Bristol, New Hampshire.

21 130. On September 26, 2009, using coded language in an
22 e-mail communication, defendant JONATHAN COLBECK told defendants
23 WILLEMS and EVRON that he had received a total of \$1,580 in cash
24 for 12 different controlled substances orders, including cash
25 payments from the UC sent on September 21, 2009.

26 131. On September 28, 2009, using coded language in an
27 e-mail communication, defendant JONATHAN COLBECK told defendant
28 WILLEMS that, later that day, he would wire \$1,950 via Western

1 Union to defendant WILLEMS' wife in Rio de Janeiro, Brazil.

2 132. On September 28, 2009, defendant JONATHAN COLBECK wired
3 \$1,900 via Western Union to defendant WILLEMS' wife in Rio de
4 Janeiro, Brazil.

5 133. On September 28, 2009, using coded language in an
6 e-mail communication, defendant JONATHAN COLBECK confirmed to
7 defendant WILLEMS that he had wire transferred \$1,900 to
8 defendant WILLEMS' wife in Rio de Janeiro, Brazil, and asked
9 whether he should mail or wire transfer an additional \$1,400 that
10 arrived that day.

11 134. On October 6, 2009, defendants WILLEMS and EVRON agreed
12 to supply B.L., who was then 19 years old, one ounce of marijuana
13 for shipment to Vero Beach, Florida.

14 135. On October 10, 2009, using coded language in an e-mail
15 communication, defendant WILLEMS asked defendant JONATHAN COLBECK
16 to send \$615 to an unindicted controlled substances supplier in
17 Pennsylvania.

18 136. On October 27, 2009, using coded language in an e-mail
19 communication, defendant BRIAN COLBECK told defendant JONATHAN
20 COLBECK that he owed \$742 for prior orders of marijuana.

21 137. On October 30, 2009, defendant JONATHAN COLBECK wired
22 \$2,000 via Western Union to defendant WILLEMS' wife in Rio de
23 Janeiro, Brazil.

24 138. On October 30, 2009, using coded language in an e-mail
25 communication, defendant JONATHAN COLBECK confirmed to defendant
26 WILLEMS that he had wire transferred \$2,000 to defendant WILLEMS'
27 wife in Rio de Janeiro, Brazil.

1 139. On November 2, 2009, using coded language in an e-mail
2 communication, defendant BIGRAS thanked defendant EVRON for
3 posting information on an Adamflowers forum about defendant
4 BIGRAS converting funds in PayPal to Pecunix for controlled
5 substances customers.

6 140. On November 7, 2009, using coded language in an e-mail
7 communication, defendant BRIAN COLBECK told defendant JONATHAN
8 COLBECK that he had mailed \$280 to a post office box in Atlanta,
9 Georgia, and included a letter stating that the cash was for two
10 one-half ounce orders of marijuana.

11 141. On November 9, 2009, defendant EVRON paid defendant
12 WILLEMS 211.0969 gold administration units, which was the
13 equivalent of 5,000 euros, via Pecunix.

14 142. On November 9, 2009, using coded language in a series
15 of e-mail communications and pursuant to defendant WILLEMS'
16 request, an unindicted co-conspirator in Panama provided
17 instructions to defendant WILLEMS about how he could load
18 approximately \$10,000 onto defendant WILLEMS' pre-paid debit card
19 by sending funds to Sovereign Management and Legal, S.A., by way
20 of wire transfer to their bank in Budapest, Hungary.

21 143. On November 9, 2009, using coded language in an e-mail
22 communication, defendant BRIAN COLBECK asked defendant JONATHAN
23 COLBECK when his marijuana shipment would arrive and asked
24 defendant JONATHAN COLBECK to send marijuana edibles to an
25 address on Coldwater Island Drive in Coldwater, Michigan.

26 144. On November 10, 2009, using coded language in an e-mail
27 communication, defendant EVRON told the operators of a private
28 on-line club providing a website to its members for exchanging

1 electronic gold with each other that he and defendant WILLEMS
2 wanted to use the club to conduct transactions involving the sale
3 of marijuana, LSD, and other controlled substances.

4 145. On November 11, 2009, using coded language in an e-mail
5 communication, defendant JONATHAN COLBECK told defendant BRIAN
6 COLBECK that his order for marijuana edibles had been shipped to
7 an address on Senator Street in Detroit, Michigan.

8 146. On November 14, 2009, using coded language in an e-mail
9 communication, defendant EVRON told defendant WILLEMS that he had
10 devised a solution to ensure that controlled substances suppliers
11 were only paid for orders received by customers and that, when
12 coupled with an invoicing scheme he had created, they should
13 eliminate the loss of monies to external controlled substances
14 suppliers and controlled substances customers.

15 147. On November 17, 2009, using coded language in an e-mail
16 communication, defendant WILLEMS asked defendant JONATHAN COLBECK
17 to send \$1,150 to an unindicted controlled substances supplier in
18 Pennsylvania.

19 148. On November 18, 2009, using coded language in an e-mail
20 communication, defendant WILLEMS apologized to the UC for the
21 delay in shipping the UC's September 21, 2009 LSD order,
22 explained that they would resolve back orders of LSD soon, and
23 informed the UC that they would have a new on-line controlled
24 substances marketplace running in early 2010.

25 149. On November 20, 2009, using coded language in an e-mail
26 communication, defendant WILLEMS asked defendant JONATHAN COLBECK
27 to send \$1,500 to an unindicted controlled substances supplier.

1 150. On November 20, 2009, defendant WILLEMS paid defendant
2 EVRON 46.8274 gold administration units, which was the equivalent
3 of 1,165 euros, via Pecunix.

4 151. On November 25, 2009, defendant JONATHAN COLBECK wired
5 \$2,190 via Western Union to defendant WILLEMS' wife in Rio de
6 Janeiro, Brazil.

7 152. On November 25, 2009, using coded language in an e-mail
8 communication, defendant JONATHAN COLBECK confirmed to defendant
9 WILLEMS that he had wire transferred \$2,190 to defendant WILLEMS'
10 wife in Rio de Janeiro, Brazil.

11 153. On November 30, 2009, using coded language in an e-mail
12 communication, defendant EVRON apologized to the UC for the delay
13 in shipping the UC's September 21, 2009 LSD order and told the UC
14 the order had shipped a few hours earlier.

15 154. On December 1, 2009, using coded language in an e-mail
16 communication, defendant BRIAN COLBECK told defendant JONATHAN
17 COLBECK that he had made a controlled substances payment of
18 \$101.24 via PayPal.

19 155. On December 1, 2009, using coded language in an e-mail
20 communication, defendant EVRON received a confirmation of his
21 order of one-half ounce of marijuana to be delivered to his
22 address in Buenos Aires, Argentina.

23 156. On December 6, 2009, using coded language in an e-mail
24 communication, defendant WILLEMS told defendant EVRON that he had
25 discovered a problem with his existing on-line controlled
26 substances marketplace which was causing him to lose a great deal
27 of income and further told defendant EVRON that, within
28 approximately two or three months, he intended to change the

1 manner in which the on-line controlled substances marketplace
2 operated.

3 157. On December 7, 2009, using coded language in an e-mail
4 communication, defendants WILLEMS and EVRON told the UC that all
5 controlled substances orders had been shipped, including back
6 orders, and instructed the UC not to use a mail service that
7 requires the recipient to sign for the package for controlled
8 substances payments because their European cash recipients would
9 not sign for any packages.

10 158. On December 8, 2009, using coded language in an e-mail
11 communication, defendant JONATHAN COLBECK confirmed to defendant
12 WILLEMS that he had wire transferred \$2,500 to him and stated
13 that he still had \$700 in cash in his possession, but had not
14 received any cash orders that day.

15 159. On December 10, 2009, using coded language in an e-mail
16 communication, defendant WILLEMS told defendant JONATHAN COLBECK
17 to ship a controlled substances order to a customer in New Jersey
18 and advised defendant JONATHAN COLBECK that his share of the sale
19 would be \$219, which would be in his weekly payment.

20 160. On December 15, 2009, using coded language in an e-mail
21 communication, defendant EVRON told the UC they had to split the
22 UC's order for 500 hits of LSD into two orders and the remaining
23 200 hits they had yet to ship to the UC would be shipped the next
24 day or the day after.

25 161. On December 19, 2009, using coded language in an e-mail
26 communication, defendant JONATHAN COLBECK told defendant WILLEMS
27 that he would wire transfer \$2,500 to defendant WILLEMS the
28

1 following day and asked defendant WILLEMS if he had any more
2 high-quality marijuana.

3 162. On December 20, 2009, using coded language in an e-mail
4 communication, defendant WILLEMS told defendant JONATHAN COLBECK
5 that he could send defendant JONATHAN COLBECK large quantities of
6 high-quality marijuana and instructed defendant JONATHAN COLBECK
7 to send him money via Western Union, not the mail, while
8 defendant WILLEMS was in Brazil with his wife.

9 163. On December 20, 2009, defendant JONATHAN COLBECK wired
10 \$2,500 via Western Union to defendant WILLEMS' wife in Rio de
11 Janeiro, Brazil.

12 164. On December 21, 2009, using coded language in a series
13 of e-mail communications, an unindicted co-conspirator in Panama
14 told defendant WILLEMS that the current individual to whom
15 customer payments via Western Union should be sent was J.C.S. in
16 Budapest, Hungary.

17 165. On December 21, 2009, using coded language in an e-mail
18 communication, defendant WILLEMS told defendant JONATHAN COLBECK
19 that defendants WILLEMS and EVRON would no longer use him to
20 accept and forward cash for controlled substances orders because
21 defendants WILLEMS and EVRON believed their Western Union
22 recipient had been identified by law enforcement, and defendant
23 WILLEMS offered defendant JONATHAN COLBECK the opportunity to
24 become a large-scale external controlled substances vendor on
25 their on-line marketplace.

26 166. On December 21, 2009, using coded language in an e-mail
27 communication, defendant BIGRAS told defendant WILLEMS that he
28 had converted \$3,000 in funds in PayPal to Pecunix for controlled

1 substances customers and asked defendant WILLEMS to let him know
2 if they were planning to stop discounting controlled substances
3 orders paid via Pecunix because doing so would cut into defendant
4 BIGRAS' profits.

5 167. On December 21, 2009, using coded language in an e-mail
6 communication, defendant BIGRAS told defendant EVRON that he had
7 lost \$300 in one transaction in which he converted funds in
8 PayPal to Pecunix for controlled substances customers and stated
9 that he believed he was providing a valuable service to their
10 community of on-line controlled substances dealers and
11 purchasers.

12 168. On December 21, 2009, using coded language in an e-mail
13 communication, defendant EVRON suggested to defendant WILLEMS
14 that defendant BIGRAS could become a PayPal receiver for their
15 on-line controlled substances marketplace.

16 169. On December 22, 2009, using coded language in an e-mail
17 communication, defendant WILLEMS told defendant JONATHAN COLBECK
18 that he was concerned about the amount of risk defendant JONATHAN
19 COLBECK was taking by both collecting and remitting controlled
20 substances proceeds to defendant WILLEMS and distributing
21 controlled substances for defendant WILLEMS.

22 170. On December 24, 2009, using coded language in an e-mail
23 communication, defendant BIGRAS told defendant EVRON that he
24 could accept PayPal payments from controlled substances
25 customers, charge a small commission, and then fund the remaining
26 amount to Pecunix for transfer to defendant WILLEMS.

27 171. On December 24, 2009, using coded language in an e-mail
28 communication, defendant JONATHAN COLBECK told defendant WILLEMS

1 and his wife that he had enjoyed serving them by acting as a cash
2 drop for controlled substances customers and reselling controlled
3 substances.

4 172. On December 26, 2009, using coded language in an e-mail
5 communication, defendant EVRON ordered one-half ounce of
6 marijuana from the on-line controlled substances marketplace to
7 be shipped to Buenos Aires, Argentina.

8 173. On December 27, 2009, using coded language in an e-mail
9 communication, defendant BIGRAS told defendant EVRON that he had
10 concerns about accepting cash or Western Union transfers from
11 controlled substances customers because it could draw attention
12 to their activities and might result in lost cash, and therefore
13 he would prefer to accept PayPal payments and pay defendant
14 WILLEMS via Pecunix.

15 174. On December 28, 2009, using coded language in an e-mail
16 communication, defendant JONATHAN COLBECK told an unindicted
17 controlled substances supplier that he had several ounces of
18 marijuana resin in stock and estimated that he could generate
19 between \$2,000 and \$5,000 in income from the sale of the
20 marijuana.

21 175. On December 29, 2009, using coded language in an e-mail
22 communication, defendant EVRON told defendant BIGRAS that he and
23 defendant WILLEMS wanted to receive the amount of money a
24 controlled substances customer paid for their order and defendant
25 BIGRAS could add whatever surcharge he wanted for the service of
26 accepting funds via PayPal.

27 176. On December 29, 2009, using coded language in a series
28 of e-mail communications, defendant BRIAN COLBECK told defendant

1 JONATHAN COLBECK that he needed a total of three-quarters of an
2 ounce of marijuana and that he would be sending defendant
3 JONATHAN COLBECK a controlled substances payment soon.

4 177. On December 31, 2009, using coded language in an e-mail
5 communication, defendant JONATHAN COLBECK told defendant WILLEMS
6 that he had wire transferred \$1,800 to defendant WILLEMS and had
7 not received any cash in the mail that day.

8 178. On January 4, 2010, using coded language in an e-mail
9 communication, defendant WILLEMS informed customers and
10 controlled substances sources of supply using his on-line
11 controlled substances marketplace that the marketplace had gross
12 sales in excess of \$500,000 during 2009; and defendant WILLEMS
13 advised the customers and suppliers that defendant EVRON had
14 developed a new way to operate the on-line marketplace featuring
15 improved security, better inventory management, current
16 controlled substances menus, and consolidated payment methods
17 even if customers ordered from multiple vendors, all of which
18 would replace their current system in the near future.

19 179. On January 4, 2010, using coded language in an e-mail
20 communication, defendant EVRON told the UC that, if the remaining
21 100 hits of LSD from the UC's September 21, 2009 order did not
22 arrive by the end of the week, the UC should send defendant EVRON
23 the order number and he would get the remaining LSD sent out.

24 180. On January 5, 2010, using coded language in an e-mail
25 communication, defendant EVRON received a confirmation of his
26 order of one-half ounce of marijuana to be delivered to his
27 address in Buenos Aires, Argentina.

1 181. On January 5, 2010, using coded language in an e-mail
2 communication, defendants WILLEMS and EVRON told customers of
3 Adamflowers that they were ready to transition to the TOR network
4 and provided customers with the TOR address of The Farmer's
5 Market.

6 182. On January 8, 2010, using coded language in an e-mail
7 communication, defendant EVRON told defendant WILLEMS why he did
8 not believe they should modify the pricing system for their
9 on-line controlled substances marketplace.

10 183. On January 10, 2010, using coded language in an e-mail
11 communication, defendant EVRON gave defendant BIGRAS instructions
12 on how to accept PayPal payments.

13 184. On January 13, 2010, using coded language in an e-mail
14 communication, defendant BIGRAS told defendant JONATHAN COLBECK
15 that he had funded defendant JONATHAN COLBECK's Pecunix account
16 with \$200.

17 185. On January 13, 2010, using coded language in an e-mail
18 communication, defendant WILLEMS told an unindicted co-
19 conspirator in Panama that she should have received a total of
20 \$1,631 via Western Union from individuals in Florida, Washington,
21 DC, Indiana, Georgia, Canada, and the United Kingdom; and
22 defendant WILLEMS asked the unindicted co-conspirator to load the
23 funds onto a pre-paid debit card account, bearing number ####-
24 ####-####-3101, in the name R.G.P.

25 186. On January 14, 2010, using coded language in an e-mail
26 communication, defendant WILLEMS informed customers and
27 controlled substances sources of supply using his on-line
28 controlled substances marketplace that he did not complete the

1 previous week's invoicing and was available for approximately two
2 hours that day to resolve any problems they might have been
3 experiencing.

4 187. On January 15, 2010, using coded language in an e-mail
5 communication, defendant JONATHAN COLBECK told defendant EVRON
6 that Adamflowers and The Farmer's Market had been using the
7 address "B. Colbeck" at a post office box in Center Point, Iowa,
8 as the United States cash drop.

9 188. On January 16, 2010, using coded language in an e-mail
10 communication, defendant WILLEMS told the UC that several
11 controlled substances orders from early December 2009 were still
12 pending and, because defendant WILLEMS was re-stocking his
13 controlled substances supplies, the UC should contact defendant
14 WILLEMS in one or two weeks concerning the remaining 100 hits of
15 LSD outstanding from the UC's September 21, 2009 order.

16 189. On January 20, 2010, using coded language in an e-mail
17 communication, defendant BRIAN COLBECK told defendant JONATHAN
18 COLBECK that he had made a controlled substances payment of
19 \$312.17 via PayPal.

20 190. On January 26, 2010, using coded language in a series
21 of e-mail communications, an unindicted co-conspirator in Panama
22 told defendant WILLEMS that starting February 1, 2010, the
23 individual to whom customer payments via Western Union should be
24 sent was B.P. in Budapest, Hungary.

25 191. On January 27, 2010, using coded language in an e-mail
26 communication, defendant WILLEMS advised defendant JONATHAN
27 COLBECK to send him \$2,500 via Western Union as soon as possible
28

1 and reiterated that he wanted to pay defendant JONATHAN COLBECK a
2 seven percent commission.

3 192. On January 28, 2010, using coded language in an e-mail
4 communication, defendant JONATHAN COLBECK told defendant WILLEMS
5 that he had wire transferred \$2,500 to defendant WILLEMS.

6 193. On January 29, 2010, defendant JONATHAN COLBECK
7 received four pieces of mail sent from the Netherlands addressed
8 to "BJC and Associates" at a post office box in Vinton, Iowa.

9 194. On January 29, 2010, defendant JONATHAN COLBECK
10 received five pieces of mail sent from the Netherlands addressed
11 to B.C. at a post office box in Center Point, Iowa.

12 195. On February 1, 2010, using coded language in an e-mail
13 communication, defendant MATZEK told defendant WILLEMS that he
14 had sent \$60 to him via Western Union and that all the
15 information on the Western Union transfer was false except for
16 the name and transfer number.

17 196. On February 2, 2010, defendants WILLEMS and EVRON
18 agreed to ship one-half ounce of marijuana to defendant JONATHAN
19 COLBECK at his address on Virden Street in Urbana, Iowa.

20 197. On February 2, 2010, using coded language in an e-mail
21 communication, defendant WILLEMS told defendant RAWLS that
22 defendant RAWLS' order for three ounces of marijuana had been
23 shipped to an address on Deer Trail in Alpharetta, Georgia.

24 198. On February 3, 2010, defendant EVRON, via Pecunix,
25 transferred 195.3636 gold administration units, which was the
26 equivalent of 5,000 euros, from keysh@hush.ai into a business
27 account in the name evronm@dtcinc.net.

1 199. On February 4, 2010, using coded language in an e-mail
2 communication, defendant WILLEMS told defendant EVRON that they
3 should send an e-mail to their customers advising the customers
4 that their European money collector and Western Union receiver
5 were apprehended by law enforcement in January 2010, which caused
6 their on-line controlled substances marketplace to change the
7 manner in which it handled the shipping of controlled substances
8 and receipt of controlled substances payments.

9 200. On February 5, 2010, using coded language in an e-mail
10 communication, defendant WILLEMS told an unindicted co-
11 conspirator in Panama that she should have received a total of
12 \$1,411 via Western Union from individuals in Florida, Colorado,
13 New Jersey, New York, and the United Kingdom; and defendant
14 WILLEMS asked the unindicted co-conspirator to load the funds
15 onto a pre-paid debit card, bearing account number ####-####-
16 ####-3101, in the name R.G.P.

17 201. On February 9, 2010, using coded language in an e-mail
18 communication, defendant EVRON told defendant WILLEMS that he had
19 repaired a few technical problems with the on-line controlled
20 substances marketplace's invoicing codes, added a listing for all
21 shipped orders, and updated information pertaining to Western
22 Union transfers.

23 202. On February 13, 2010, defendant JONATHAN COLBECK
24 received five pieces of mail sent from the Netherlands addressed
25 to "BJC and Associates" at a post office box in Vinton, Iowa.

26 203. On February 13, 2010, using coded language in a series
27 of e-mail communications, defendants EVRON and WILLEMS discussed
28 their respective responsibilities in the on-line controlled

1 substances marketplace and what percentage of the profits they
2 each took.

3 204. On February 15, 2010, using coded language in an e-mail
4 communication, defendant WILLEMS told defendant EVRON that he
5 wanted to receive 10% of the gross sales regardless of the system
6 they used to distribute controlled substances, that he would be
7 available to assist in maintaining and growing their controlled
8 substances distribution business, and that defendant EVRON would
9 be responsible for handling the financial aspects of their
10 controlled substances distribution business.

11 205. On February 15, 2010, using coded language in an e-mail
12 communication, defendant EVRON told defendant WILLEMS that he was
13 going to change the passwords on the Pecunix, iGolder, and United
14 States cash accounts in order to enhance security in light of
15 their recent change in responsibilities concerning the on-line
16 controlled substances marketplace.

17 206. On February 16, 2010, using coded language in an e-mail
18 communication, defendant JONATHAN COLBECK directed a controlled
19 substances customer ordering marijuana to make a payment via
20 PayPal at defendant JONATHAN COLBECK's e-mail address and make a
21 cash payment to "BGC" at a post office box in Center Point, Iowa.

22 207. On February 16, 2010, using coded language in an e-mail
23 communication, defendant EVRON apologized to the UC for the delay
24 in shipping the remaining 100 hits of LSD they owed the UC from
25 his September 21, 2009 order and told the UC that defendant
26 WILLEMS was handling outstanding controlled substances orders.

27 208. On February 16, 2010, using coded language in an e-mail
28 communication, defendant WILLEMS apologized to the UC for the

1 delay in shipping the remaining 100 hits of LSD they owed the UC
2 from his September 21, 2009 order, offered to send the UC the 100
3 hits of LSD at the price of the insurance normally offered for
4 controlled substances orders, and directed the UC to send the
5 money via Western Union to B.P. in Budapest, Hungary.

6 209. On February 16, 2010, using coded language in an e-mail
7 communication, defendant WILLEMS told defendant JONATHAN COLBECK
8 that he directed cash-paying controlled substances customers to
9 mail cash payments to "GBC" at a post office box in Walker, Iowa.

10 210. On February 16, 2010, using coded language in an e-mail
11 communication, defendant JONATHAN COLBECK informed defendant
12 WILLEMS that he had collected 16 letters containing cash payments
13 for controlled substances that day and he had \$1,500 and 70 euros
14 in his possession.

15 211. On February 18, 2010, using coded language in an on-
16 line communication, defendant BIGRAS posted a message to a forum
17 on The Farmer's Market providing instructions on how to make
18 controlled substances payments via PayPal.

19 212. On February 21, 2010, using coded language in a series
20 of e-mail communications, defendant JONATHAN COLBECK told
21 defendant BRIAN COLBECK to start selling LSD for between \$12 and
22 \$15 per hit in order to maximize defendant BRIAN COLBECK's
23 investment and gave defendant BRIAN COLBECK pricing information
24 for additional controlled substances.

25 213. On February 22, 2010, using coded language in a series
26 of e-mail communications, defendant BRIAN COLBECK told defendant
27 JONATHAN COLBECK that he would have a \$300 payment for LSD for
28 him in a few days.

1 214. On February 22, 2010, using coded language in an e-mail
2 communication, defendant WILLEMS told an unindicted co-
3 conspirator in Panama that she should have received a total of
4 \$799 via Western Union from individuals in North Carolina,
5 Alabama, and Scotland; and defendant WILLEMS asked the unindicted
6 coconspirator to load the funds onto a pre-paid debit card,
7 bearing account number ####-####-####-3101, in the name R.G.P.

8 215. On February 22, 2010, using coded language in an e-mail
9 communication, defendant EVRON told defendant WILLEMS that he had
10 burned himself trying to assemble packages of controlled
11 substances for shipping.

12 216. On February 24, 2010, defendant JONATHAN COLBECK wired
13 \$2,500 via Western Union to defendant WILLEMS' wife in Rio de
14 Janeiro, Brazil.

15 217. On February 24, 2010, using coded language in an e-mail
16 communication, defendant JONATHAN COLBECK told defendant WILLEMS
17 that he had wire transferred \$2,500 to defendant WILLEMS.

18 218. On February 28, 2010, defendant EVRON told defendant
19 WILLEMS that he had instructed an unidentified individual to wire
20 \$1,500 to defendant WILLEMS' pre-paid debit card, and advised
21 defendant WILLEMS that he had sent 250 euros to
22 ruby_p@hushmail.com and had requested a \$3,765 wire transfer to
23 the bank account of Sovereign Management and Legal, S.A., in
24 Budapest, Hungary.

25 219. On March 5, 2010, using coded language in an e-mail
26 communication, defendant BRIAN COLBECK told defendant JONATHAN
27 COLBECK that he was sending a \$250 payment via PayPal that day.

1 220. On March 9, 2010, using coded language in a series of
2 e-mail communications, an unindicted co-conspirator in Panama
3 told defendant WILLEMS that starting on March 16, 2010, the
4 individual to whom customer payments should be sent via Western
5 Union was L.P. in Budapest, Hungary.

6 221. On March 10, 2010, defendant WILLEMS agreed to send an
7 undercover agent of the Drug Enforcement Administration ("UC2")
8 in Cedar Rapids, Iowa, 150 hits of LSD for delivery to Marion,
9 Iowa, for \$630 in cash, which was sent via the mail to defendant
10 JONATHAN COLBECK in Center Point, Iowa.

11 222. On March 12, 2010, using coded language in an e-mail
12 communication, defendant WILLEMS told defendant RAWLS that he
13 would give defendant RAWLS exclusive LSD sales in the United
14 States and Canada, he could easily send 5,000 to 10,000 hits of
15 LSD per week to defendant RAWLS if defendant RAWLS had two
16 different addresses to which he could send the LSD, and they
17 could spread the sending of controlled substances payments out by
18 using Western Union, PayPal, Pecunix, wire transfers, and cash.

19 223. On March 15, 2010, defendant JONATHAN COLBECK wired
20 \$2,250 via Western Union to defendant WILLEMS' wife in Rio de
21 Janeiro, Brazil.

22 224. On March 15, 2010, using coded language in an e-mail
23 communication, defendant JONATHAN COLBECK told defendant WILLEMS
24 that he had wire transferred \$2,250 to defendant WILLEMS.

25 225. On March 16, 2010, using coded language in an e-mail
26 communication, defendant JONATHAN COLBECK presented defendant
27 WILLEMS with the name of a new controlled substances source of
28

1 supply who wished to sell controlled substances on their on-line
2 marketplace.

3 226. On March 16, 2010, using coded language in an e-mail
4 communication, defendant JONATHAN COLBECK told defendant BRIAN
5 COLBECK the user name and password to use in order to access The
6 Farmer's Market.

7 227. On March 20, 2010, using coded language in an e-mail
8 communication, defendant RAWLS told defendant WILLEMS that he had
9 \$20,000 available to invest in The Farmer's Market.

10 228. On March 22, 2010, using coded language in an e-mail
11 communication, defendant WILLEMS advised defendant RAWLS that he
12 would send him 8,000 LSD hits for his \$20,000 investment in The
13 Farmer's Market and stated that defendant EVRON could advise
14 defendant RAWLS about how to handle the financial transaction.

15 229. On March 23, 2010, using coded language in an on-line
16 communication, defendant RAWLS posted a message to a forum on The
17 Farmer's Market stating that he would start selling LSD
18 throughout the United States in a few weeks and anticipated
19 having sufficient quantities available for sale to eliminate
20 future back orders.

21 230. On March 24, 2010, using coded language in an e-mail
22 communication, defendant EVRON received a confirmation of his
23 order of marijuana seeds to be delivered to his address in Ciudad
24 de Buenos Aires, Argentina.

25 231. On March 26, 2010, using coded language in an e-mail
26 communication, defendant EVRON informed defendant WILLEMS of the
27 amount of money they earned that week, advised defendant WILLEMS
28 that he now owed defendant EVRON 11,849 euros, and stated that

1 defendant RAWLS would be wiring defendant WILLEMS \$20,000 the
2 upcoming week.

3 232. On March 26, 2010, using coded language in an e-mail
4 communication, defendant MATZEK told defendant WILLEMS that he
5 had received his order for one ounce of marijuana shipped to SUNY
6 Fredonia, Hemingway Hall, Fredonia, New York.

7 233. On March 30, 2010, using coded language in an e-mail
8 communication, defendant BIGRAS told defendant EVRON that,
9 between February 24 and March 29, 2010, he had sent five wire
10 transfers totaling 5,187 euros, which was the equivalent of
11 \$7,333, to Sovereign Management and Legal, S.A., in Panama City,
12 Panama, via Bank of America

13 234. On April 4, 2010, using coded language in a series of
14 e-mail communications, defendant JONATHAN COLBECK told defendant
15 BRIAN COLBECK to mail three different LSD orders totaling 20 hits
16 to addresses in Minnesota, Alabama, and New Jersey.

17 235. On April 5, 2010, using coded language in an e-mail
18 communication, defendant WILLEMS told defendant EVRON that
19 defendant RAWLS had wired 4,205.13 euros, which was the
20 equivalent of \$5,887.93, to defendant EVRON that day and intended
21 to send one additional wire and one Pecunix transfer that week.

22 236. On April 7, 2010, defendant EVRON, via Pecunix,
23 transferred 54.8418 gold administration units, which was the
24 equivalent of \$2,000, from keysh@hush.ai into a business account
25 in the name evronm@dtcinc.net.

26 237. On April 8, 2010, using coded language in an e-mail
27 communication, defendant EVRON advised an unidentified controlled
28 substances customer that he operated The Farmer's Market and

1 asked the customer to let him know what controlled substances he
2 may be interested in purchasing.

3 238. On April 12, 2010, using coded language in an e-mail
4 communication, defendant WILLEMS told defendant EVRON that
5 defendant RAWLS had wired 3,822.82 euros, which was the
6 equivalent of \$5,385.47.

7 239. On April 13, 2010, using coded language in an e-mail
8 communication, defendant WILLEMS told defendants EVRON and RAWLS
9 that he had received a transfer of 4,000 euros onto his pre-paid
10 debit card and asked defendant RAWLS for an address to which to
11 send defendant RAWLS' LSD.

12 240. On April 14, 2010, using coded language in an e-mail
13 communication, defendant RAWLS told defendant WILLEMS to ship LSD
14 to him at either Rebound Consulting on Highway 9 in Alpharette,
15 Georgia, or Creative Concepts Inbound on Jordan Court in
16 Alpharette, Georgia.

17 241. On April 18, 2010, using coded language in an e-mail
18 communication, defendant BIGRAS told defendant JONATHAN COLBECK
19 to mail marijuana resin to him at an address on Glencove Avenue
20 Northwest in Palm Bay, Florida.

21 242. On April 20, 2010, using coded language in an e-mail
22 communication, defendant JONATHAN COLBECK told defendant WILLEMS
23 that he wanted to provide defendant BRIAN COLBECK with LSD and
24 lower-quality marijuana to resell through his own on-line order
25 menu.

26 243. On April 21, 2010, using coded language in an e-mail
27 communication, defendant EVRON received a confirmation of his
28

1 order of marijuana seeds to be delivered to his address in Ciudad
2 de Buenos Aires, Argentina.

3 244. On April 23, 2010, using coded language in a private
4 message communication, defendant EVRON told the UC that he did
5 not have access to orders placed on the Adamflowers marketplace
6 and directed the UC to contact defendant WILLEMS about the 100
7 hits of LSD they owed the UC from his September 21, 2009 order.

8 245. On April 23, 2010, using coded language in an e-mail
9 communication, defendant WILLEMS told an unindicted co-
10 conspirator in Panama that she should have received a total of
11 \$1,696 via Western Union from individuals in Pennsylvania, Italy,
12 Mexico, Romania, Australia, Sweden, Austria, Ireland, and the
13 United Kingdom; and defendant WILLEMS asked the unindicted
14 coconspirator to load the funds onto a pre-paid debit card,
15 bearing account number ####-####-####-3101, in the name R.G.P.

16 246. On April 23, 2010, using coded language in a series of
17 e-mail communications, defendant JONATHAN COLBECK told an
18 unindicted co-conspirator that he had three different types of
19 high-quality marijuana available for sale, informed the
20 unindicted co-conspirator that he would send controlled
21 substances via priority mail, and directed the unindicted co-
22 conspirator to mail cash for his controlled substances order to
23 "GBC" at a post office box in Walker, Iowa.

24 247. On April 25, 2010, using coded language in an e-mail
25 communication, defendant JONATHAN COLBECK told defendant WILLEMS
26 to instruct cash-paying controlled substances customers to send
27 payments to "BJC and Associates" at a post office box in Vinton,
28 Iowa.

1 248. On April 25, 2010, using coded language in an e-mail
2 communication, defendant WILLEMS told defendant RAWLS that he had
3 received the latest transfer of funds a few days earlier, which
4 totaled 14,065 euros, and stated that one controlled substance
5 sample was en-route to each of the two addresses defendant RAWLS
6 had provided on April 15, 2010.

7 249. On April 26, 2010, using coded language in an e-mail
8 communication, defendant WILLEMS told the UC that he knew many
9 customers had lost trust in their on-line marketplace due to
10 order-processing problems since the prior Christmas holiday and
11 advised the UC that he had resumed operating the Adamflowers
12 marketplace because he did not like the marketplace operating on
13 the TOR network.

14 250. On April 29, 2010, using coded language in an e-mail
15 communication, defendant WILLEMS told defendant RAWLS that he
16 would start supplying defendant RAWLS with controlled substances.

17 251. On April 29, 2010, using coded language in an e-mail
18 communication, defendant JONATHAN COLBECK agreed with defendant
19 WILLEMS that customers paying cash would send payments to B.C. at
20 a post office box in Center Point, Iowa.

21 252. On April 29, 2010, using coded language in an e-mail
22 communication, defendant WILLEMS told defendant BIGRAS that he
23 had received his order for one and one-half ounces of marijuana
24 to be shipped to an address on Glencove Avenue Northwest in Palm
25 Bay, Florida.

26 253. On April 30, 2010, using coded language in an e-mail
27 communication, defendant WILLEMS told an unindicted co-
28 conspirator in Panama that she should have received a total of

1 \$1,510 via Western Union from individuals in New Jersey,
2 Connecticut, Missouri, Texas, Louisiana, Nevada, and Finland;
3 and defendant WILLEMS asked the unindicted coconspirator to load
4 the funds onto a pre-paid debit card, bearing account number
5 ####-####-####-3101, in the name R.G.P.

6 254. On May 4, 2010, using coded language in an e-mail
7 communication, defendant WILLEMS told defendant JONATHAN COLBECK
8 to expect \$6,000 to \$7,000 in additional cash that week and asked
9 him to send the cash he had to the cash drop in the Netherlands.

10 255. On May 5, 2010, using coded language in an e-mail
11 communication, defendant WILLEMS told defendant RAWLS that most
12 of the LSD he would receive would bear the dolphin yingyang
13 pattern, that he had already sent defendant RAWLS two packages
14 containing 500 LSD hits each, and that he hoped to send him
15 another 3,000 LSD hits early the following week.

16 256. On May 7, 2010, using coded language in an e-mail
17 communication, defendant JONATHAN COLBECK told defendant WILLEMS
18 that he was sending a payment to his address in Lelystad,
19 Netherlands.

20 257. On May 7, 2010, using coded language in an e-mail
21 communication, defendant WILLEMS told an unindicted co-
22 conspirator in Panama that she should have received a total of
23 \$1,997 via Western Union from individuals in California,
24 Colorado, Texas, South Carolina, Illinois, New York, Pakistan,
25 Romania, and Belgium; and defendant WILLEMS asked the indicted
26 conspirator to load the funds onto a pre-paid debit card, bearing
27 account number ####-####-####-3101, in the name R.G.P.

1 258. On May 10, 2010, using coded language in an e-mail
2 communication, defendant RAWLS told defendant WILLEMS that he had
3 received 500 hits of LSD contained in one envelope.

4 259. On May 10, 2010, using coded language in an e-mail
5 communication, defendant WILLEMS told an unindicted co-
6 conspirator that the address to send cash payment for the
7 unindicted co-conspirator's order was in Center Point, Iowa.

8 260. On May 11, 2010, using coded language in an e-mail
9 communication, defendant WILLEMS told defendant BIGRAS that he
10 had received defendant BIGRAS' order for one and one-half ounces
11 of marijuana to be shipped to an address on Glencove Avenue
12 Northwest in Palm Bay, Florida.

13 261. On May 11, 2010, using coded language in an e-mail
14 communication, defendant BRIAN COLBECK asked defendant JONATHAN
15 COLBECK whether half ounces of marijuana sold for \$110 and
16 whether he owed defendant JONATHAN COLBECK another \$110 for two
17 orders.

18 262. On May 13, 2010, using coded language in an e-mail
19 communication, defendant WILLEMS told an unindicted co-
20 conspirator in Panama that she should have received a total of
21 \$4,227 via Western Union from individuals in Louisiana, Texas,
22 Wisconsin, Massachusetts, Pennsylvania, New Jersey, Oklahoma,
23 Mexico, Sweden, Ireland, the United Kingdom, and the Philippines;
24 and defendant WILLEMS asked the unindicted coconspirator to load
25 the funds onto a pre-paid debit card, bearing account number
26 ####-####-####-3101, in the name R.G.P.

27 263. On May 19, 2010, using coded language in an e-mail
28 communication, an unindicted co-conspirator in Panama told

1 defendant WILLEMS that, starting June 1, 2010, the individual to
2 whom customer payments via Western Union should be sent was
3 Z.M.K. in Budapest, Hungary.

4 264. On May 22, 2010, using coded language in an e-mail
5 communication, defendant WILLEMS told defendant RAWLS that he
6 should have received a box containing 1,000 hits of LSD on white
7 paper and that another 1,000 hits of LSD bearing the dolphin
8 yingyang pattern were en route.

9 265. On May 23, 2010, using coded language in an e-mail
10 communication, defendant EVRON ordered one-eighth of an ounce of
11 hashish from the on-line controlled substances marketplace to be
12 shipped to Buenos Aires, Argentina.

13 266. On May 28, 2010, using coded language in an e-mail
14 communication, defendant EVRON informed defendant WILLEMS of the
15 amount of money defendants WILLEMS and JONATHAN COLBECK had
16 earned that week and advised defendant WILLEMS that he now owed
17 defendant EVRON 6,577 euros and that defendant JONATHAN COLBECK
18 owed him \$521.

19 267. On May 31, 2010, using coded language in an e-mail
20 communication, defendant WILLEMS asked defendant RAWLS to mail 20
21 hits of LSD to a customer in Lubbock, Texas, and informed
22 defendant RAWLS that he should receive 2,000 hits of LSD on white
23 paper in a day or two.

24 268. On July 1, 2010, an unindicted co-conspirator received
25 an order from the UC for 50 hits of LSD, and defendant RAWLS
26 received an order from the UC for 30 hits of dimethyltryptamine
27 and 500 grams of mescaline for delivery to Los Angeles,
28 California, all via The Farmer's Market, for \$1,565, which was

1 sent by mail to defendant JONATHAN COLBECK in Center Pointe,
2 Iowa.

3 269. On August 23, 2010, using coded language in an e-mail
4 communication, defendant WILLEMS advised the UC that they were
5 offering discounted LSD for the next 10 days and that future LSD
6 sales would be handled by re-sellers listed on the TOR network.

7 270. On August 25, 2010, in Alpharetta, Georgia, defendant
8 RAWLS received a package which contained approximately 250 hits
9 of LSD from the Netherlands at his post office box.

10 271. On September 8, 2010, using coded language in a private
11 message communication, defendant EVRON directed the UC to check
12 directly with an unindicted co-conspirator LSD supplier
13 concerning the status of his July 1, 2010 order for 50 hits of
14 LSD because defendant EVRON was no longer involved in order
15 processing.

16 272. On September 12, 2010, using coded language in an
17 on-line communication, an unidentified co-conspirator posted a
18 message to a forum on The Farmer's Market stating that defendants
19 BIGRAS and MATZEK were the designated payees for purchasing
20 controlled substances via PayPal.

21 273. On October 7, 2010, using coded language in an on-line
22 communication, defendant MATZEK posted a message to a forum on
23 The Farmer's Market stating that he was a designated payee for
24 purchasing controlled substances via PayPal.

25 274. On December 5, 2010, using coded language in an on-line
26 communication, defendant RAWLS posted a message on The Farmer's
27 Market stating that he had LSD available for sale.

1 275. On February 8, 2011, using coded language in an on-line
2 communication, defendant MATZEK posted a message to a forum on
3 The Farmer's Market stating that defendants BIGRAS and MATZEK
4 were designated payees for purchasing controlled substances via
5 PayPal.

6 276. On July 19, 2011, via The Farmer's Market, defendant
7 RAWLS agreed to sell the UC three vials of liquid LSD for
8 delivery to Los Angeles, California, for \$2,160 sent via Paypal
9 to defendant BRIAN COLBECK.

10 277. On July 19, 2011, using coded language in an e-mail
11 communication, defendant BRIAN COLBECK asked the UC to respond to
12 an e-mail that he had sent the UC in order to disguise from
13 PayPal the fact that the UC was sending a payment.

14 278. On July 27, 2011, using coded language in an e-mail
15 communication, defendant RAWLS provided the UC with a tracking
16 number for his July 19, 2011 order of three vials of liquid LSD
17 and instructed the UC not to use the TOR network when checking
18 the tracking number.

19 279. On August 17, 2011, via The Farmer's Market, defendant
20 RAWLS agreed to sell the UC three vials of liquid LSD and five
21 grams of ketamine for delivery to Los Angeles, California, for
22 \$2,345 sent in cash via the mail to defendant JONATHAN COLBECK in
23 Vinton, Iowa.

24 280. On August 23, 2011, at his residence on Virden Drive in
25 Urbana, Iowa, defendant JONATHAN COLBECK possessed the envelope
26 mailed by the UC on August 17, 2011, which had contained the
27 money for the UC's purchase of LSD and ketamine.

1 281. On August 24, 2011, using coded language in an e-mail
2 communication, defendant RAWLS provided the UC with a tracking
3 number for his August 17, 2011 order of three vials of liquid
4 LSD.

5 282. On August 30, 2011, in Alpharetta, Georgia, defendant
6 RAWLS received a package that contained approximately 1,500 hits
7 of LSD and 14 grams of LSD microdots from the Netherlands at his
8 post office box.

9 283. On October 21, 2011, using a posting on The Farmer's
10 Market, defendant JONATHAN COLBECK offered to sell large
11 quantities of LSD in sheets of 100 hits per sheet at a minimum of
12 100-hit quantities.

13 284. On October 21, 2011, using a posting on The Farmer's
14 Market, defendant RAWLS offered to sell ketamine, DMT, liquid
15 LSD, and psilocybin mushrooms.

COUNT TWO

[18 U.S.C. § 1956(h)]

1. Paragraphs One through Eight of the General Allegations are realleged and incorporated by reference as if fully set forth herein.

A. OBJECTS OF THE CONSPIRACY

Beginning on a date unknown and continuing to on or about November 29, 2011, in Los Angeles County, within the Central District of California, and elsewhere, defendants WILLEMS, EVRON, JONATHAN COLBECK, RAWLS, DUGAN, BRIAN COLBECK, BIGRAS, and MATZEK (collectively, "the defendants"), and others known and unknown to the Grand Jury, conspired and agreed with each other to knowingly and intentionally transport, transmit, and transfer monetary instruments and funds, that is, United States currency and euros, from places in the United States to and through places outside the United States, and to places in the United States from and through places outside the United States:

1. with the intent to promote the carrying on of specified unlawful activity, that is, conspiracy to distribute controlled substances, in violation of Title 21, United States Code, Section 846, all in violation of Title 18, United States Code, Section 1956(a)(2)(A); and

2. knowing that the monetary instruments and funds involved in the transportation, transmission, and transfer represented the proceeds of some form of unlawful activity, and knowing that such transportation, transmission, and transfer was designed in whole and in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the

1 proceeds of specified unlawful activity, that is, conspiracy to
2 distribute controlled substances, in violation of Title 21,
3 United States Code, Section 846, all in violation of Title 18,
4 United States Code, Section 1956(a)(2)(B)(i).

5 B. MEANS BY WHICH THE OBJECTS OF THE CONSPIRACY WERE TO BE
6 ACCOMPLISHED

7 The objects of the conspiracy were to be accomplished in
8 substance as follows:

9 1-25. The Grand Jury re-alleges and incorporates by
10 reference as if fully set forth herein paragraphs 1 through 25 of
11 Section B of Count One setting forth the means of the conspiracy
12 charged in Count One.

13 C. OVERT ACTS

14 In furtherance of the conspiracy, and to accomplish the
15 objects of the conspiracy, the defendants, and others known and
16 unknown to the Grand Jury, committed various overt acts within
17 the Central District of California, and elsewhere, including but
18 not limited to the following:

19 1-284. The Grand Jury re-alleges and incorporates by
20 reference as if fully set forth herein paragraphs 1 through 284
21 of Section C of Count One, setting forth the overt acts of the
22 conspiracy charged in Count One.

COUNTS THREE through ELEVEN

[21 U.S.C. §§ 841(a)(1), (b)(1)(A)(v), (b)(1)(B)(v), (b)(1)(C);
18 U.S.C. § 2]

On or about the dates set forth below, in Los Angeles County, within the Central District of California, and elsewhere, defendants MARC PETER WILLEMS, also known as ("aka") "Adam," aka "Ruby" ("WILLEMS"), MICHAEL EVRON, aka "Keysh" ("EVRON"), JONATHAN COLBECK, aka "Jay," aka "djsfishin" ("JONATHAN COLBECK"), RYAN RAWLS, aka "jootgatter" ("RAWLS"), and BRIAN COLBECK, aka "brnytrbl" ("BRIAN COLBECK") as set forth below, knowingly and intentionally distributed, and aided, abetted, counseled, commanded, induced, and procured the distribution of, the following quantities of a mixture and substance containing a detectable amount of lysergic acid diethylamide ("LSD"), a Schedule I controlled substance.

COUNT	DATE	DEFENDANTS	AMOUNT
THREE	3/27/2009	WILLEMS and EVRON	.4 grams
FOUR	4/21/2009	WILLEMS and EVRON	at least one gram, that is, approximately 1.5 grams
FIVE	7/6/2009	WILLEMS and EVRON	at least one gram, that is, approximately 1.9 grams
SIX	12/8/2009	WILLEMS and EVRON	at least one gram, that is, approximately 5.53 grams
SEVEN	12/15/2009	WILLEMS and EVRON	at least one gram, that is, approximately 2.11 grams

EIGHT	5/7/2010	WILLEMS and EVRON	at least one gram, that is, approximately 1.2 grams
NINE	10/14/2010	WILLEMS and EVRON	.58 grams
TEN	7/27/2011	WILLEMS, EVRON, RAWLS, and BRIAN COLBECK	at least 10 grams, that is, approximately 31.8 grams
ELEVEN	8/29/2011	WILLEMS, EVRON, RAWLS, and JONATHAN COLBECK	at least 10 grams, that is, approximately 31.7 grams

COUNT TWELVE

[18 U.S.C. § 848(a)]

Beginning on an unknown date, and continuing to on or about November 29, 2011, in Los Angeles County, within the Central District of California, and elsewhere, defendants MARC PETER WILLEMS, also known as ("aka") "Adam," aka "Ruby" ("WILLEMS"), and MICHAEL EVRON, aka "Keysh" ("EVRON"), engaged in a continuing criminal enterprise in that defendants WILLEMS and EVRON knowingly and intentionally violated Title 21, United States Code, Sections 841(a)(1) and 846, including but not limited to the felony violations alleged in Counts One and Three through Eleven, which Counts are re-alleged and incorporated herein by reference as if fully set forth in this Count, all of which violations were part of a continuing series of felony violations of subchapters I and II of Title 21 of the United States Code undertaken by defendants WILLEMS and EVRON in concert with at least five other persons with respect to whom defendants WILLEMS and EVRON occupied a position of organizer, supervisor, and manager, and from which continuing series of violations defendants WILLEMS and EVRON obtained substantial income and resources.

FORFEITURE ALLEGATION

[21 U.S.C. § 853(a)]

1. The allegations contained in Counts One through Twelve of this Indictment are hereby repeated, realleged, and incorporated by reference herein as if fully set forth at length for the purpose of alleging criminal forfeiture pursuant to the provisions of Title 21, United States Code, Section 853. Pursuant to Federal Rule of Criminal Procedure 32.2 and Title 21, United States Code, Section 853, each defendant, if convicted of one or more of the offenses charged in Counts One through Twelve of this Indictment, shall forfeit to the United States of America the following property:

a. All right, title, and interest in --

i. any and all property constituting, or derived from, any proceeds obtained, directly or indirectly, as a result of any of the offenses described in Counts One through Twelve; and

ii. any property, real or personal, used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, any of the offenses described in Counts One through Twelve;

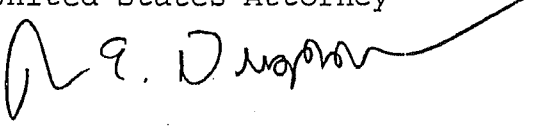
b. A sum of money equal to the total value of the property described in paragraph 1(a).

2. Pursuant to Title 21, United States Code, Section 853(p), each defendant shall forfeit substitute property, up to the value of the total amount described in paragraph 1(a), if, as

1 the result of any act or omission of said defendant, said
2 property, or any portion thereof, cannot be located upon the
3 exercise of due diligence; has been transferred, sold to, or
4 deposited with a third party; has been placed beyond the
5 jurisdiction of the court; has been substantially diminished in
6 value; or has been commingled with other property that cannot be
7 divided without difficulty.

8 A TRUE BILL

9 151
10 Foreperson
11

12 ANDRÉ BIROTTE JR.
13 United States Attorney
14 

15 ROBERT E. DUGDALE
16 Assistant United States Attorney
17 Chief, Criminal Division

18 RODRIGO A. CASTRO-SILVA
19 Assistant United States Attorney
20 Chief, Organized Crime
21 Drug Enforcement Task Force Section

22 KEVIN S. ROSENBERG
23 Assistant United States Attorney
24 Deputy Chief, Organized Crime
25 Drug Enforcement Task Force Section

26 RASHA GERGES
27 Assistant United States Attorney
28 Drug Enforcement Task Force Section

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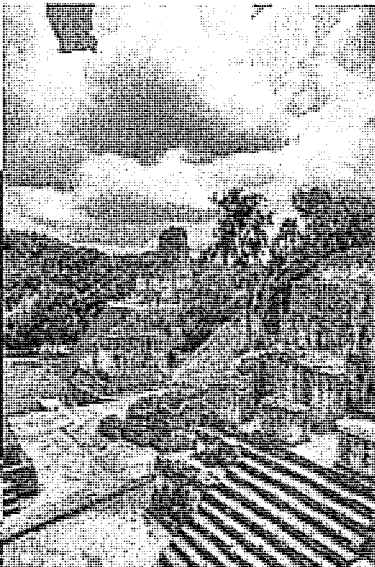
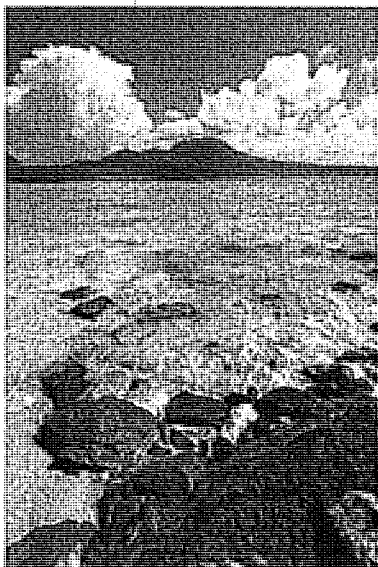


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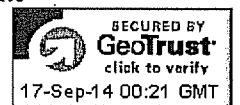
Appointing a professional management firm that will manage your non-controlled corporation provides you with the maximum protection on all fronts.

To ensure the safety and security of the corporate assets, so that you don't have to have any exposure as a director of the IBC, the professional managers appoint themselves as directors of the corporation.

This may be important, because even if you are clearly not a shareholder, the mere fact of being an officer may offer the appearance that you, in reality, still control the assets and thereby still retain a beneficial interest in them.

A court could easily still compel you to repatriate the assets since you still control them. The onus would be on you to then prove to the court why you are not able to comply - not a pleasant prospect to consider.

Our firm can provide such management options and give you the peace of mind that you still have the ultimate authority in regards to your assets.



The most common way of doing this, is for the corporate nominee directors to provide you with a Power of Attorney in all matters related to the running of the corporation.

This will allow you to act in the place of an officer of the company without actually being one. You can sign agreements or open accounts on behalf of the company or anything else that is required for the day-to-day business of the company. For many situations, this will give you a high level of protection, but still provide you control over the company.

Be aware, though, that in a legal action against you, the fact that you have a Power of Attorney to act on behalf of the company, may be very closely scrutinised to determine if indeed you were acting as if the company was an extension of yourself.

If that possibility still seems a little riskier, there is a way you can avoid having your name associated in any way with the company. That way is to avoid signing on behalf of the company.

The nominee directors can be called upon to sign on necessary corporate resolutions and business agreements of all types, and they can even act as a signatory on banking and investment accounts.

Click here to go to Account Signatory Services.



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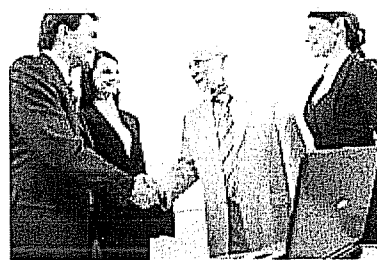
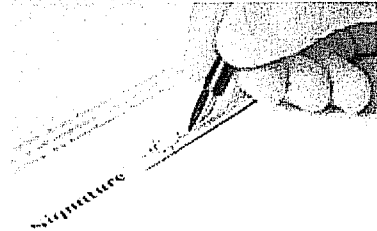
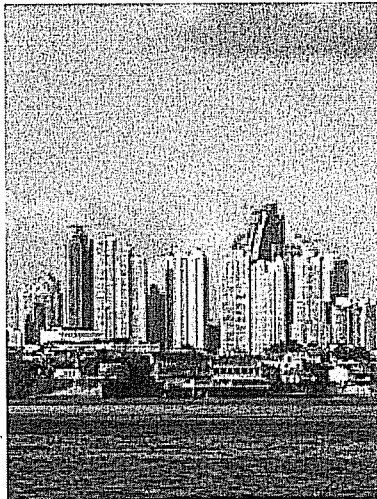
Navigating the myriad of options for structuring your international or offshore business can be simply overwhelming.

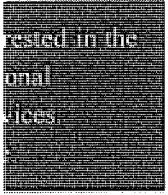
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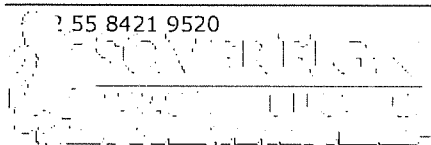
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Panama's Secrecy Laws

Panama's Secrecy Statutes do not appear in a unified body of law. They are, in fact, the accumulation of several laws enacted over the last 70 years. The first legislation establishing Panama as a tax haven and secrecy shelter was in 1927 and resulted in the enactment of the General Corporation Law, which followed the Delaware and New Jersey Corporation Law models.

In 1959 regulations were enacted for Coded Bank Accounts with the implementation of Law ~ 8 of January 28. Shortly thereafter, Law 17 of January 30, 1961, modified Articles 89 and 93 of the Commercial Code to establish another blocking statute.

Cabinet Decree 238 of July 2nd, 1970 amended the Banking System and established the National Banking Commission, thereby laying the foundation for the country's banking and financial center.

Complementary statutes appear in Panama's Criminal and Labor Codes, with regard to the confidentiality that protects banking and financial transactions.

Commercial Documents Secrecy

The Commercial Code of the Republic of Panama contains general provisions with regard to the confidentiality of accounting records, correspondence, and other commercial documents which may be disclosed only under a court order issued in accordance with Article 89.

Article 89 of the Commercial Code provides in part:

- The merchant furnishing a copy or reproductions of the content of his books, correspondence and other documents in any action not duly authorized by a competent legal authority of the Republic of Panama, shall be subject to the fines stipulated by law for such disclosure".

As such, Article 89 clearly prohibits businessmen and/or officers of a corporation from providing copies, reproductions, correspondence, documents or specific information pertaining to the files of the corporation unless these have been formally accepted and served by the proper legal Panamanian authorities.

Article 93 of the Commercial Code provides in part:

- "Commercial books, correspondence and other documents required by law in the normal course of operations shall be kept in the corporation's place of business. The removal of said books, correspondence or documents outside of the country shall result in fines as stipulated by the law for such action".

Law 17 of January 30, 1961, amended Articles 89 and 93 of the Commercial Code and further regulated the matter of sanctions with regard to the unauthorized disclosure of corporate records.

Banking Secrecy

The Panamanian banking system is currently regulated by Cabinet Decree 238 of July 2, 1970, which introduced reforms to the banking system and established the National Banking Commission. Included in the provisions of Cabinet Decree 238 are all banks organized under Panamanian law to engage in banking activities in Panama or abroad, and foreign banks operating in Panama.

Article 74 of said Decree specifically forbids the investigation of the private affairs of any bank client or of the bank itself in the following terms:

"The Commission is forbidden to conduct or order investigations concerning the private affairs of any bank's clients. Any information obtained by the Commission in the normal exercise of its functions may not be revealed to any person or authority, except if subpoenaed in accordance with the legal provisions in force or if they represent data required for the consolidation of global figures. Violations of this Statute will be dealt with in accordance with the provisions of Article 101 of this Cabinet Decree.

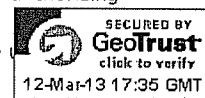
"Article 101 of Cabinet Decree 238 stipulates:

"Any person who furnishes information in violation of this Cabinet Decree, or who violates any of the prohibitions established in it, for which no specific punishment is provided for, shall be subject to monetary fine as determined by the Banking Commission, without prejudice to applicable criminal and civil liabilities."

Article 65 of Cabinet Decree 238 outlines the rules by which an inspector of the National Banking Commission may gain limited access to documentation related to a bank's operation:

"When legally requested in writing by the Banking Commission, banks shall be obliged to disclose the nature and value of currency securities in its possession, documents and vouchers, as well as reports and documents pertinent to its operations. Nevertheless, in order to protect the interests of the bank's clients and the confidentiality that its operations require, the Banking Commission may not inspect any type of deposit accounts, nor the securities in custody, nor the safe deposit boxes, nor the documents derived from credit transactions which clients maintain with the bank, unless there is a Panamanian court order specifically authorizing such examination issued in accordance with Article 89 of the Commercial Code".

Prior to the adoption of Cabinet Decree 238 of 1970, Panama enacted Law 18 of January 28, 1959, authorizing the numbered bank accounts.



Article 2 of Law ~8 of 1959 defines these accounts as follows:

"The numbered bank account represents a contract whereby a natural person or legal entity maintains on deposit with a bank, cash or securities or a credit, and such bank agrees to meet the orders of payment of said deposit or up to the amounts of cash or delivery of the securities that he may have deposited, or of the credit granted him; and to observe strict secrecy as to the existence of the account, its balance and the identity of the account holder. The interests, which under the provisions of a bank account contract may be earned by the depositor, are an integral part of the account for all legal purposes".

Article 2 further explains how coded bank accounts operate:

"The name of the drawer need not appear on checks and payment orders drawn against coded current bank accounts or on orders for delivery of securities. The bank shall be required to pay such checks and orders of payment provided that the usual signature previously furnished by the drawer and the number assigned to the account appear thereon".

Managers, officers and employees of banking institutions are specifically addressed with regard to the secrecy and confidentiality of banking transactions in Articles 4 and 5 of Law 18.

"Article 4. Managers, officers and other employees of banking institutions, whether national or foreign, who reveal or disclose to persons alien to the institution and to the handling of these accounts any information with reference to the existence, balance or identity of the account holder of a coded bank account shall be punishable with imprisonment and/or monetary fines, or both."

"Article 5. Information on numbered current bank accounts duly requested by court officers, judges and magistrates of Bank Managers and employees, in compliance with legal proceedings, shall hold the information in strict reserve and restrict its use to the legal matter under investigation.

"One of the fundamental differences in banking secrecy as applied to ordinary versus numbered or coded accounts is that for ordinary non numbered accounts, secrecy may be lifted by a Panamanian court through Article 89 of the Commercial Code. On the other hand, in the case of a numbered account, even if the identity of the account holder is revealed, a Panamanian judge has no legal power to order seizure of the account unless the investigation is of a criminal nature. Articles 168 and 170 of the Panamanian Criminal Code contains two articles that make it an offense to divulge confidential information and establish that unauthorized disclosure is subject to criminal prosecution.

"Article 168. Any person that is in legitimate possession of correspondence, records or documents which are not intended for public knowledge and notwithstanding discloses said correspondence, records or document without proper authorization, even in the event that they were addressed to him, shall be subject to prosecution, whenever such disclosure might inflict damage. "Article 170. Any person that in the course of his occupation, employment, profession or activity obtains knowledge of confidential information that in the event of being made public could inflict damages, and such person discloses that information without the consent of the concerned party; or in the case that disclosure of such information were not necessary to safeguard a higher interest, shall be punishable by imprisonment of 10 months to 2 years or a comparable fine, and the inability to practice his occupation, employment, profession or activity for not more than 2 years.

"In light of the disclosure restrictions and corresponding penalties in force in Panama, business managers and banking officers have traditionally been extremely careful to avoid disclosing information in violation of Panama's secrecy Laws Article 213 of Panama's Labor Code establishes as legal cause for termination of the labor relationship, the unauthorized disclosure of technical, commercial, industrial or "know-how" information and/or divulging sensitive administrative issues that could inflict damage to the employer.

Panamanian Corporation Law

Corporations in Panama are governed by Law 32 of February 26, 1927. Two or more persons of legal age, not necessarily Panamanian citizens or residents of the Republic of Panama, may form a corporation for any lawful purpose. It is not necessary that the capital be even partially held by Panamanians. Under Panama's Corporation Law it is possible to organize a corporation owned by only one person. Subscription to all or any percentage of the capital stock is not required.

It is acceptable for incorporators to agree to the subscription of stock shares. The usual practice is to state that each incorporator agrees to subscribe to one share. Law 32 of 1927 requires a minimum of three officers (a president, a treasurer, and a secretary) and three directors. However, one person may hold two or more offices. It is not necessary that the directors or officers be Panamanian nominees or shareholders. Finally, it is not even necessary for the interested parties to be present in Panama for the purpose of organizing a corporation.

The major advantages of a Panamanian Corporation can be summarized as follows.

1. The freedom to appoint directors and officers of any nationality and country of residence.
2. The freedom to appoint nominee directors and officers (provided by our associates in Panama).
3. The legal protection afforded for the confidentiality of business and banking transactions.
4. The tax exemption status provided to offshore companies.
5. The complete anonymity afforded to owners of Panamanian Corporations through the use of bearer shares of stock.
6. The freedom of capital movement in and out of Panama and the absence of regulatory supervision.
7. The absolute confidentiality of banking transactions under numbered accounts belonging to corporations with nominee directors and bearer shares in the hands of the owner.

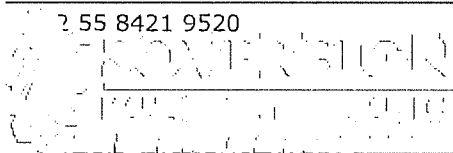
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EXHIBIT 8

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+61 (0)2 8006 9350 - Sydney
+52 55 8421 9520 - Mexico

Fee Schedule Index

Panama Structures
 Other Offshore Structures
 Annual Fees
 Contracts and Corporate Forms
 Legal Services
 Account Opening Services
 Business Services
 Panama Immigration / Residency Programs

Panama Structures



Panama basic company formation

\$995

Includes notarized certificate and articles of incorporation in both Spanish and certified English translations, tasa unica (tax), initial subscribers resignation letter, first meeting minutes ready for director signatures, bearer share certificate. You provide your own directors (minimum 3 needed). Perfect for owning property in Panama and/or where total anonymity is not needed. Add \$125 for apostilles if required and \$75 for worldwide Fed ex courier shipment.

[package details](#)

Panama basic corporation package includes -

1. Original Articles of Incorporation (in Spanish)
2. Official English Translation of Articles of Incorporation
3. Original Certificate of Incorporation and English certified translation
4. Resident Agent and Registered Office
5. Share certificate(s) issued to "The Bearer", or to any person or entity that you designate
6. First Minutes of the Board ready for your directors to sign
7. Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry.
8. "Tasa Unica" (First year government tax is \$250 and every consecutive year is \$300 + \$250 registered agent fee).

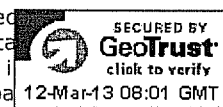
It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

[Panama Corporations article](#)

Anonymous Panama Bearer Share Corporation or Foundation Package

\$1,275

A very comprehensive package that includes three nominee directors for anonymity, undated notarized director resignation letters, power of attorney with apostille, Spanish certificate of incorporation and articles with English translations, all with apostilles, bearer or nominated share certificate(s) (your choice), minutes of first meeting that includes transfer of subscription rights, initial subscribers resignation letter, tasa unica (tax) - no hidden extras. Includes a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank or a USD Mastercard from a Belize bank. Also includes assistance in opening of a Panama brokerage account and any advice needed from our in house lawyers. Foundation includes private protector agreement. Add \$350 for nominee registered shareholder service for the company. Also includes assistance opening of a Panama brokerage account and any advice needed from our in house lawyers. Foundation includes private protector agreement, "First Act" resolution and beneficiary certificate. Add \$600 for a Panama bank



account for either corporation or foundation. Add \$75 for worldwide Fed ex courier shipment. Same fee applies if it is desired to re-domicile an existing company or foundation from another jurisdiction to Panama - must be in good standing with registered agent and have good standing certificate issued from public registry.

Anonymous bearer share Panama corporation package details

Anonymous bearer share Panama corporation package includes:

1. Panama Corporation - complete with:

- Original Articles of Incorporation (in Spanish) with apostille,
- Official English Translation of Articles of Incorporation with apostille,
- Original Certificate of Incorporation and English certified translation with apostille
- Resident Agent and Registered Office,
- 3 Nominee Directors for Public Registry,
- Pre-signed, undated nominee director resignation letters,
- Share certificate(s) issued to "The Bearer", or to any person or entity that you
- First Minutes of the Board signed and notarized by nominee directors
- Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry.
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

2. General Power of Attorney

We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each). You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

3. Offshore Corporate Brokerage Account - with the following features:

- USD or EUR accounts.
- Online internet based trading platform with secure password and user ID.
- Access to investments in stocks, bonds, mutual funds, options, forex, commodities and money markets on all major securities exchanges in Asia, Europe and North America.
- Reputable, registered, licenced international brokerage firm.
- Managed CTA and forex programs.
- English, Spanish and five other major languages spoken by licenced brokers on staff to provide full service brokerage services and investment advice.

4. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit or no-name USD Mastercard Debit/ATM card with \$2,000 USD daily limit.

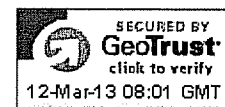
It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Anonymous Panama foundation package details

Anonymous Panama Foundation Package includes:

1. Panama Foundation - complete with:

- Original Articles of Incorporation (In Spanish) with apostille,
- Official English Translation of Articles of Incorporation with apostille,
- Original Certificate of Incorporation and English certified translation with apostille
- Resident Agent and Registered Office,
- 3 Individual Nominees appointed to the foundation council for Public Registry purposes,
- Pre-signed, undated nominee council resignation letter,
- Foundation beneficiary certificate with name left blank allowing you to issued it to any person or entity that you elect at a time of your choosing.
- First Acts of the foundation council signed and notarized by nominee directors



- Private Protector agreement signed and notarized by foundation council appointing protector with name left blank for you to add in who you want to appoint protector of the foundation at any time now in the future.
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

2. General Power of Attorney

We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each).

You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

3. Offshore Corporate Brokerage Account - with the following features:

- USD or EUR accounts.
- Online internet based trading platform with secure password and user ID.
- Access to investments in stocks, bonds, mutual funds, options, forex, commodities and money markets on all major securities exchanges in Asia, Europe and North America.
- Reputable, registered, licenced international brokerage firm.
- Managed CTA and forex programs.
- English, Spanish and five other major languages spoken by licenced brokers on staff to provide full service brokerage services and investment advice.

4. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit or no-name USD Mastercard Debit/ATM card with \$2,000 USD daily limit.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Panama corporations article | Panama foundations article
Offshore debit card website ↗

Panama Enhanced Corporation or Foundation Package

\$1,675

In addition to complete package as above, up to 2 multi-currency bank account openings (Belize, New Zealand, St. Vincent), a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank or a USD Mastercard from a Belize bank, a secured Mastercard application, a personal chequing account with Visa card and 6 months of Panama mail forwarding. Add \$350 for nominee registered shareholder service. Add \$150 to upgrade to a full year of mail receiving / forwarding and \$75 for Fed ex worldwide delivery. Add \$350 for an account in Panama in addition to the Belize and/or St. Vincent and/or New Zealand options.

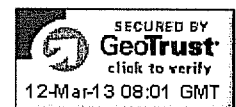
Enhanced Panama corporation package details

Enhanced Panama corporation package includes:

1. Panama Corporation - complete with

- Original Articles of Incorporation (in Spanish) with apostille,
- Official English Translation of Articles of Incorporation with apostille,
- Resident Agent and Registered Office,
- Nominee Directors for Public Registry,
- Pre-signed, undated nominee director resignation letters,
- Share certificate(s) issued to "The Bearer", or to any person or entity that you designate,
- First Minutes of the Board signed and notarized by nominee directors,
- Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry,
- Certificate of Registry Extract (certificado) with apostille and English certified translation with apostille,
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

2. General Power of Attorney



We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each). You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

3. Offshore Corporate Brokerage Account - with the following features:

- USD or EUR accounts.
- Online internet based trading platform with secure password and user ID.
- Access to investments in stocks, bonds, mutual funds, options, forex, commodities and money markets on all major securities exchanges in Asia, Europe and North America.
- Reputable, registered, licenced international brokerage firm.
- Managed CTA and forex programs.
- English, Spanish and five other major languages spoken by licenced brokers on staff to provide full service brokerage services and investment advice.

4. Offshore Internet Bank Account - with the following features:

- Multi-currency bank account with internet access to bank accounts in Belize and /or St. Vincent, and / or New Zealand,
- Investments in time deposits (Certificates of Deposit),
- ATM card options for access to cash via ATM around the globe,
- Online execution of outgoing international SWIFT wires; account funding through bank wire, with capability of receiving bank wires from any bank in the world.)
- Additional bank account opening introductions available at half off our regular schedule of fees.

5. Mail forwarding - six month's of mail forwarding included (upgrade to one full year for an additional \$150).

6. Secured Offshore Mastercard - secured Mastercard with online access (\$150 annual fee billed to first statement). Credit line is equal to 80% of the amount collateralized in an interest earning security account.

7. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit or **no-name USD Mastercard Debit/ATM** card with \$2,000 USD daily limit.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

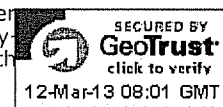
Enhanced Panama foundation package details

Enhanced Panama Foundation Package includes:

1. Panama Foundation - complete with:

- Original Articles of Incorporation (in Spanish) with apostille,
- Official English Translation of Articles of Incorporation with apostille,
- Original Certificate of Incorporation and English certified translation with apostille
- Resident Agent and Registered Office,
- 3 Individual Nominees appointed to the foundation council for Public Registry purposes,
- Pre-signed, undated nominee council resignation letter,
- Foundation beneficiary certificate with name left blank allowing you to issue it to any person or entity that you elect at a time of your choosing.
- First Acts of the foundation council signed and notarized by nominee directors,
- Private Protector agreement signed and notarized by foundation council appointing protector with name left blank for you to add in who you want to appoint protector of the foundation at any time now in the future.
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

2. General Power of Attorney - We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each). You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.



3. Offshore Corporate Brokerage Account - with the following features:

- USD or EUR accounts.
- Online internet based trading platform with secure password and user ID.
- Access to investments in stocks, bonds, mutual funds, options, forex, commodities and money markets on all major securities exchanges in Asia, Europe and North America.
- Reputable, registered, licenced international brokerage firm.
- Managed CTA and forex programs.
- English, Spanish and five other major languages spoken by licenced brokers on staff to provide full service brokerage services and investment advice.

4. Offshore Internet Bank Account - with the following features:

- Multi-currency bank account with internet access to bank accounts in Belize and /or St. Vincent,
- Investments in time deposits (Certificates of Deposit),
- ATM card options for access to cash via ATM around the globe,
- Online execution of outgoing international SWIFT wires; account funding through bank wire, with capability of receiving bank wires from any bank in the world.)
- Additional bank account opening introductions available at half off our regular schedule of fees. (i.e. Panama \$350)

5. Mail forwarding - six month's of mail forwarding included (upgrade to one full year for an additional \$150).**6. Secured Offshore Mastercard** - secured Mastercard with online access (\$150 annual fee billed to first statement). Credit line is equal to 80% of the amount collateralized in an interest earning security account.**7. No-name VISA Electron Debit/ATM card** with 3,000 EUR (approx \$4,500 USD) daily access limit or no-name **USD Mastercard Debit/ATM card** with \$2,000 USD daily limit.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Panama Corporations article | Panama Foundations article
Offshore debit card website [↗](#)

Anonymous Panama Banking/Investing Package

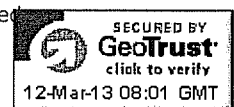
\$1,875

Opening an account in your own personal name broadcasts to the world through transfers in and out that you have an account in Panama remedied by using a Panama company or foundation. In addition to the components of the complete Panama Anonymous Bearer Share Corporation or Foundation Package above, a Panama bank account opening along with a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank or a USD Mastercard from a Belize bank. Panama Bank offers USD and EUR currency options and complete internet banking including the ability to send out wire transfers online. Add \$75 for Fed ex worldwide delivery.

Panama Banking Package with Panama bearer share corporation details

Anonymous Panama Banking Package with Anonymous Bearer Share Corporation includes:**1. Panama Corporation** - complete with:

- Original Articles of Incorporation (in Spanish) with apostille,
- Official English Translation of Articles of Incorporation with apostille,
- Original Certificate of Incorporation and English certified translation with apostille
- Resident Agent and Registered Office,
- 3 Nominee Directors for Public Registry,
- Pre-signed, undated nominee director resignation letters,
- Share certificate(s) issued to "The Bearer", or to any person or entity that you
- First Minutes of the Board signed and notarized by nominee directors
- Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry.
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

2. General Power of Attorney

We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each). You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

3. A bank account opening for the corporation with a Panama bank offering:

- Internet banking including online sending of wires
- USD and EUR account options
- Spanish and English customer service
- High interest term deposit options
- Local cheque book (if desired)
- Ability to deposit USD cheques drawn on U.S. banks

4. Panama Offshore Corporate Brokerage Account - with the following features:

- USD or EUR accounts.
- Online internet based trading platform with secure password and user ID.
- Access to investments in stocks, bonds, mutual funds, options, forex, commodities and money markets on all major securities exchanges in Asia, Europe and North America.
- Reputable, registered, licenced international brokerage firm.
- Managed CTA and forex programs.
- English, Spanish and five other major languages spoken by licenced brokers on staff to provide full service brokerage services and investment advice.

5. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit or **no-name USD Mastercard Debit/ATM card** with \$2,000 USD daily limit.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Panama Banking Package with anonymous Panama foundation details

Anonymous Panama Banking Package with Anonymous Panama foundation includes:

1. Panama Foundation - complete with:

- Original Articles of Incorporation (in Spanish) with apostille,
- Official English Translation of Articles of Incorporation with apostille,
- Original Certificate of Incorporation and English certified translation with apostille
- Resident Agent and Registered Office,
- 3 Individual Nominees appointed to the foundation council for Public Registry purposes,
- Pre-signed, undated nominee council resignation letter,
- Foundation beneficiary certificate with name left blank allowing you to issued it to any person or entity that you elect at a time of your choosing.
- First Acts of the foundation council signed and notarized by nominee directors
- Private Protector agreement signed and notarized by foundation council appointing protector with name left blank for you to add in who you want to appoint protector of the foundation at any time now in the future.
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

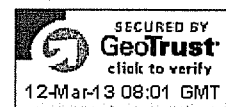
2. General Power of Attorney

We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each).

You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

3. A bank account opening for the foundation with a Panama bank offering:

- Internet banking including online sending of wires



- USD and EUR account options
- Spanish and English customer service
- High interest term deposit options
- Local cheque book (if desired)
- Ability to deposit USD cheques drawn on U.S. banks

4. Panama Offshore Foundation Brokerage Account - with the following features:

- USD or EUR accounts.
- Online internet based trading platform with secure password and user ID.
- Access to investments in stocks, bonds, mutual funds, options, forex, commodities and money markets on all major securities exchanges in Asia, Europe and North America.
- Reputable, registered, licenced international brokerage firm.
- Managed CTA and forex programs.
- English, Spanish and five other major languages spoken by licenced brokers on staff to provide full service brokerage services and investment advice.

5. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit or no-name USD Mastercard Debit/ATM card with \$2,000 USD daily limit.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Panama bank account opening requirements
 Panama banking secrecy article
 Panama corporations article
 Panama foundations article
 Offshore debit card website [🌐](#)

Panama Ready-To-Use Today Bank Account Package held by recently formed Anonymous Bearer Share Corporation or Foundation

\$3,975

A shelf Panama company or foundation with an opened but as yet unused Panama bank account ready to receive a deposit today! Bank account has our lawyer as signatory. This can be changed to one's own or left as is. If the latter our normal managed account signatory fees would apply for all transactions and an additional \$1000 annual management fee would be applicable starting in year two. In order to change the signatory on the account the normal Panama bank account opening requirements would apply. Since the account will typically have a balance of around \$1000 the exact amount will be confirmed via a day statement from the bank and this amount will need to be added to the total cost. Includes a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank or a USD Mastercard from a Belize bank. Add \$75 for Fed ex worldwide delivery of the company or foundation documents.

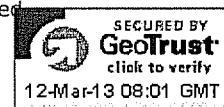
Above package with Panama bearer share corporation details

Panama Ready-To-Use Today Bank Account Package held by recently formed Anonymous Bearer Share Corporation includes:

1. Shelf Panama Corporation - complete with:

- Original Articles of Incorporation (in Spanish) with apostille,
- Official English Translation of Articles of Incorporation with apostille,
- Original Certificate of Incorporation and English certified translation with apostille
- Resident Agent and Registered Office,
- 3 Nominee Directors for Public Registry,
- Pre-signed, undated nominee director resignation letters,
- Share certificate(s) issued to "The Bearer", or to any person or entity that you
- First Minutes of the Board signed and notarized by nominee directors
- Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry.
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

2. General Power of Attorney



We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each). You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

3. Ready-to-use Corporate Panama USD bank account (EUR can be opened quickly). The account can be used immediately to accept incoming wires as well as to make payments while the signatory is being changed from one of our in-house lawyers or it can be kept as a third party professional managed account as per our management and signatory account guidelines. Until the signatory is changed and approved by the bank all incoming deposits are charged our regular managed account tariff of 0.75%.

4. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit or **no -name USD Mastercard Debit/ATM card** with \$2,000 USD daily limit.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Above package with Panama foundation details

Panama Ready-To-Use Today Bank Account Package held by recently formed Anonymous Foundation includes:

1. Shelf Panama Foundation - complete with:

- Original Articles of Incorporation (in Spanish) with apostille,
- Official English Translation of Articles of Incorporation with apostille,
- Original Certificate of Incorporation and English certified translation with apostille
- Resident Agent and Registered Office,
- 3 Individual Nominees appointed to the foundation council for Public Registry purposes,
- Pre-signed, undated nominee council resignation letter,
- Foundation beneficiary certificate with name left blank allowing you to issued it to any person or entity that you elect at a time of your choosing.
- First Acts of the foundation council signed and notarized by nominee directors
- Private Protector agreement signed and notarized by foundation council appointing protector with name left blank for you to add in who you want to appoint protector of the foundation at any time now in the future.
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

2. General Power of Attorney


We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each).

You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

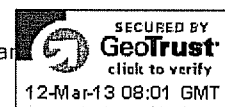
3. Ready-to-use Foundation Panama USD bank account (EUR can be opened quickly). The account can be used immediately to accept incoming wires as well as to make payments while the signatory is being changed from one of our in-house lawyers or it can be kept as a third party professional managed account as per our management and signatory account guidelines. Until the signatory is changed and approved by the bank all incoming deposits are charged our regular managed account tariff of 0.75%.

4. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit or **no -name USD Mastercard Debit/ATM card** with \$2,000 USD daily limit.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Panama corporations article
Panama foundations article
Account Signatory Services article
Panama banking secrecy article
Panama bank account opening requirements
Offshore debit card website 

2-business day guaranteed expedite service for Panama formations (standard Panama entity turnaround to 5 business days)



details

Panama Ready-Made ("shelf") companies and foundations

Contact Us

We have on hand a variety of companies and foundations ready for immediate delivery. Price will depend on age but starts at only \$250 above regular price for most recently formed. Some are available with bank accounts ready to be used. All have never done any business. Also available in certain other select jurisdictions.

"Bullet Proof" Panama corporation owned by Panama Foundation package

\$2,975


You may choose to have a foundation own a Panama company for "bullet proof" privacy, asset protection, estate planning and potential tax benefits. Includes a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank and/or a USD Mastercard from a Belize bank. Includes all of the components in the above Panama enhanced packages along with bank accounts for the foundation and company in Panama and an optional offshore forex trading account plus one full year of mail/fax receiving and forwarding. Additional Panama companies to be owned by the foundation may be formed at the reduced fee of \$1150 (includes everything in the basic panama company package above). Add \$300 for a Belize or St. Vincent bank account. Add \$75 for worldwide Fed ex courier shipping.

package details

Panama Foundation/Panama Corporation Package Without Management includes:

1. Original Articles of Incorporation (in Spanish) with apostille for both foundation and company,
2. Official English Translations of Articles of Incorporation for both foundation and company with apostille,
3. Original Certificates of Incorporation for both foundation and company and English certified translation with apostille
4. Resident Agent and Registered Office for both foundation and company
5. 3 Individual Nominees appointed to the foundation council and the company board for Public Registry purposes,
6. Pre-signed, undated nominee council and company board resignation letter with notarized and apostilled Powers of Attorney documents signed by the nominees for the foundation and company giving you or your designee full control over the day-to-day management and operations of both, allowing you to open bank accounts etc. You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.
7. Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry.
8. Notarised foundation private protectorate document and Foundation beneficiary certificate with name left blank allowing you to issue it to any person or entity that you elect at a time of your choosing.
9. Registered signed and sealed Share Certificate naming Foundation as sole stockholder
10. Panama based bank accounts for the company and optionally for the foundation plus additional optional (or alternative to Panama) offshore bank accounts for the corporation and/or foundation with full internet banking in Belize and/or New Zealand.
11. No-name VISA Electron Debit / ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit and/or no-name USD Mastercard Debit / ATM card with \$2,000 USD daily limit.
12. An offshore brokerage account for the corporation and/or foundation with full online execution available and access to all major stock and futures markets.
13. Optional trading account with offshore forex broker.
14. Offshore mail receiving and forwarding pre-paid for one full year (only pay actual postage or courier expense).
15. All government taxes and registered agent fees paid up until formation anniversary (2nd year renewal cost only \$1400 - includes all government taxes and registered agent fees for both structures along with nominee fees).

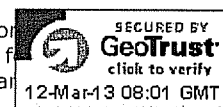
It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Panama corporation owned by Panama Foundation article
Offshore debit card website 

Enhanced "bullet-proof" multi-jurisdictional company/banking package - Panama corporation and Belize IBC owned by Panama Foundation

\$4,275

You may choose to have a foundation own a Panama company for "bullet proof" privacy, asset protection planning and potential tax benefits as well as having a second Belize IBC also owned by the foundation for additional multi-jurisdictional advantages. Belize IBC with its own Belize or St. Vincent bank account can



used as an initial staging point before some or most of the funds are finally sent on to their final intended destination with the Panama company. This is where the trail would stop for your would-be financial enemies. This is also useful for those intending to set up a physical business with the Panama company in Panama as the non-Panama Belize offshore component will legally allow the Panama company to pay little or no Panama taxes. There are many other potential applications for this. Includes a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank and/or a USD Mastercard from a Belize bank. Includes all of the components in the above Panama enhanced packages along with bank accounts for the foundation and company in Panama and an optional offshore forex trading account plus one full year of mail/fax receiving and forwarding. Add \$1000 for full management. Add \$75 for worldwide Fed ex courier shipping.

package details

Panama Foundation/Panama Corporation Package with Belize IBC and multi-jurisdictional banking options without Management includes:

1. Original Articles of Incorporation (in Spanish) with apostille for both foundation and company,
2. Official English Translations of Articles of Incorporation for both foundation and company with apostille plus Belize IBC original documents.
3. Original Certificates of Incorporation for the Belize IBC, foundation and company and English certified translation with apostille
4. Resident Agent and Registered Office for both foundation and company as well as Belize IBC
5. 3 Individual Nominees appointed to the foundation council and the company board for Public Registry purposes. Optionally available for Belize IBC but not necessary since director names not in Belize public registry.
6. Pre-signed, undated nominee council and company board resignation letter with notarized and apostilled Powers of Attorney documents signed by the nominees for the foundation and company giving you or your designee full control over the day-to-day management and operations of both, allowing you to open bank accounts etc. You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.
7. Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry.
8. Notarised foundation private protectorate document and Foundation beneficiary certificate with name left blank allowing you to issue it to any person or entity that you elect at a time of your choosing.
9. Registered signed and sealed Share Certificate naming Foundation as sole stockholder
10. Initial corporate resolution appointing officers of corporation (First Minutes), Belize IBC and First Act document for the foundation.
11. Panama based bank accounts for the company and for the foundation. Belize or St. Vincent account for the Belize IBC. Panama company can also choose to have additional account offshore in one of these two jurisdictions.
12. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit and/or no-name USD Mastercard Debit/ATM card with \$2,000 USD daily limit.
13. An offshore brokerage account for the corporation and/or foundation with full online execution available and access to all major stock and futures markets.
14. Optional trading account with offshore forex broker.
15. Offshore mail receiving and forwarding pre-paid for one full year (only pay actual postage or courier expense).
16. All government taxes and registered agent fees paid up until formation anniversary (2nd year renewal cost only \$1900 or \$2100 if nominee option choice for Belize IBC is chosen - includes all government taxes and registered agent fees for both structures along with nominee fees).

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Panama corporation owned by Panama Foundation article
Offshore debit card website ☞

"Bullet Proof" Panama E-Commerce Package

\$3,475

Includes all of the above components of the foundation owned company package with the addition of an e-commerce merchant account as well as a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank and/or a USD Mastercard from a Belize bank. For existing businesses grossing in excess of \$250K annually in credit card transactions account can be opened directly with Panama bank (additional \$500 bank application and due diligence fee required once preliminary bank approval received). For new businesses and those that the bank cannot approve because of business type account will be opened with one of several EU or Asian based card payment processors that offer multi-currency processing and will accept Panama corporations. Available without the recommended shareholder foundation if desired for \$1150 less \$75 for worldwide Fed ex courier shipping.

package details



Special Panama E-Commerce Package (utilizes foundation owned Panama company) includes:

1. Original Articles of Incorporation (in Spanish) with apostille for both foundation and company,
2. Official English Translations of Articles of Incorporation for both foundation and company with apostille,
3. Original Certificates of Incorporation for both foundation and company and English certified translation with apostille,
4. Resident Agent and Registered Office for both foundation and company,
5. 3 Individual Nominees appointed to the foundation council and the company board for Public Registry purposes,
6. Pre-signed, undated nominee council and company board resignation letter with notarized and apostilled Powers of Attorney documents signed by the nominees for the foundation and company giving you or your designee full control over the day-to-day management and operations of both, allowing you to open bank accounts etc. You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.
7. Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry.
8. Notarised foundation private protectorate document and Foundation beneficiary certificate with name left blank allowing you to issue it to any person or entity that you elect at a time of your choosing.
9. Registered signed and sealed Share Certificate naming Foundation as sole stockholder,
10. Initial corporate resolution appointing officers of corporation (First Minutes) and First Act document for the foundation.
11. Panama based bank accounts for the company and optionally for the foundation plus additional optional (or alternative to Panama) offshore bank accounts for the corporation and/or foundation with full internet banking in Belize and/or New Zealand.
12. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit and/or no-name USD Mastercard Debit/ATM card with \$2,000 USD daily limit.
13. An offshore brokerage account for the corporation and/or foundation with full online execution available and access to all major stock and futures markets.
14. Optional trading account with offshore forex broker.
15. Offshore mail receiving and forwarding pre-paid for one full year (only pay actual postage or courier expense).
16. All government taxes and registered agent fees paid up until formation anniversary (2nd year renewal cost only \$1400 - includes all government taxes and registered agent fees for both structures along with nominee fees).
17. E-Commerce merchant account direct with a Panama bank if an existing business already accepting credit cards under a different corporation. Other processing options available for start-ups or for volumes less than \$20,000 per month. Click here for merchant account requirements.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

E-Commerce article

Offshore debit card website [↗](#)

Panama Licensed Financial Services company

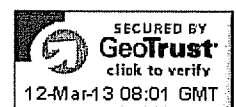
\$2,850

A Panama bearer share company with the special financial services license specially prepared by our attorneys to cover whatever financial services that do not require a more onerous license and are desired to be offered (e.g. electronic payment processing, debit card marketing / issuance, bullion trading, forex, factoring, leasing). This specially designed Type A Commercial License is useful for banking purposes and other situations which require proof of a license to handle third party funds. We prepare a carefully worded English translation of the Spanish original that then has an apostille affixed for use with banks. This is exactly the same licensed company that some promoters are trying to sell for up to 4 times our fee, sometimes using different terminology to confuse. Bank account in EU (Hungary) with large Austrian bank available for an additional \$1000 (includes \$300 required for official translation of company documents into Hungarian). Add \$75 for worldwide Fed ex courier shipping.

package details

Panamanian Licensed Financial Services Company includes:

1. **Panama Corporation** - complete with:
 - Original Articles of Incorporation (in Spanish) with apostille,
 - Official English Translation of Articles of Incorporation with apostille,
 - Original Certificate of Incorporation and English certified translation with apostille
 - Resident Agent and Registered Office,



- 3 Nominee Directors for Public Registry,
- Pre-signed, undated nominee director resignation letters,
- Share certificate(s) issued to "The Bearer", or to any person or entity that you,
- First Minutes of the Board signed and notarized by nominee directors,
- Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry.
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

2. General Power of Attorney -

We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each).

You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

3. Offshore Corporate Brokerage Account - with the following features:

- USD or EUR accounts.
- Online internet based trading platform with secure password and user ID.
- Access to investments in stocks, bonds, mutual funds, options, forex, commodities and money markets on all major securities exchanges in Asia, Europe and North America.
- Reputable, registered, licenced international brokerage firm.
- Managed CTA and forex programs.
- English, Spanish and five other major languages spoken by licenced brokers on staff to provide full service brokerage services and investment advice.

4. Type A Commercial License issued by Panama's Ministry of Commerce detailing financial services to be offered with apostilled English translation for banking and other official use.

Panama Licensed Corporation article

"Bullet Proof" Panama corporation owned by Panama Foundation with Professional Law Firm Management package

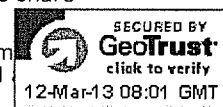
\$3,975

This package provides all of the features and options of the above "bullet-proof" combination package but also includes "arms length" protection of law firm managed bank and investment accounts along with customized professional administrative services for the company and foundation, including but not limited to maintaining minutes of board meetings, issuing invoices, opening of investment or trade accounts, mail/fax receiving and forwarding etc. Your anonymity protected by client-attorney privilege. Also includes a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank and/or a USD Mastercard from a Belize bank. Requires annual \$1000 management fee to be paid in addition to standard renewal fees for company and foundation (\$700 each). Add \$75 for worldwide Fed ex courier shipping.

package details


Panama Foundation/Panama Corporation Package With Management package includes:

1. Original Articles of Incorporation (in Spanish) with apostille for both foundation and company,
2. Official English Translations of Articles of Incorporation for both foundation and company with apostille,
3. Original Certificates of Incorporation for both foundation and company and English certified translation with apostille
4. Resident Agent and Registered Office for both foundation and company
5. 3 Individual Nominees appointed to the foundation council and the company board for Public Registry purposes,
6. Pre-signed, undated nominee council and company board resignation letter with notarized and apostilled Powers of Attorney documents signed by the nominees for the foundation and company giving you or your designee full control over the day-to-day management and operations of both, allowing you to open bank accounts etc. You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.
7. Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry.
8. Notarised foundation private protectorate document and Foundation beneficiary certificate with nam blank allowing you to issue it to any person or entity that you elect at a time of your choosing, signed sealed by the council.



9. Foundation letters of wishes drafting (optional)
10. Registered signed and sealed Share Certificate naming Foundation as sole stockholder
11. Initial corporate resolution appointing officers of corporation (First Minutes) and First Act document for the foundation.
12. Panama based bank accounts for the company and optionally for the foundation plus additional optional (or alternative to Panama) offshore bank accounts for the corporation and/or foundation with full internet banking in Belize and/or New Zealand.
13. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit and/or no-name USD Mastercard Debit/ATM card with \$2,000 USD daily limit.
14. An offshore brokerage account for the corporation and/or foundation with full online execution available and access to all major stock and futures markets.
15. Optional trading account with offshore forex broker.
16. Offshore mail receiving and forwarding pre-paid for one full year (only pay actual postage or courier expense).
17. Ongoing corporate officer services as needed for invoicing, minutes, signatures etc. as needed.
18. All government taxes and registered agent fees paid up until formation anniversary. (2nd year renewal cost only \$2400 - includes all government taxes, registered agent fees for both structures, nominees and management fees).
19. Account signatory services package (minimum of \$750 waived for the first year - only pay percentage cost of 0.75% per transaction). Second year \$750 minimum cost equal to \$100,000 per annum.
20. Investment advisor contract pre-paid or other document if needed to document relationship with company.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Panama Corporation / Panama Foundation Combined article
Offshore debit card website 

International Fiduciary Structure

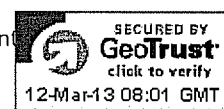
\$4,975

This is the same professionally managed foundation owned company package as above with managed accounts etc. with the sole addition of a Panama testamentary trust for which the foundation acts as settlor - usually at one's death. This offers your estate ultimate indirect control of the foundation assets and provides for flexible options to allow the assets to be managed in perpetuity or for a fixed period of time anywhere in the world the estate executor chooses after your death, since the trust can be domiciled almost anywhere very readily. Annual management fee of \$1000 as above. Also includes a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank and/or a USD Mastercard from a Belize bank. Add \$75 for worldwide Fed ex courier shipping.

package details

International Fiduciary Structure Package includes:

1. Original Articles of Incorporation (in Spanish) with apostille for both foundation and company,
2. Official English Translations of Articles of Incorporation for both foundation and company with apostille,
3. Original Certificates of Incorporation for both foundation and company and English certified translation with apostille
4. Resident Agent and Registered Office for both foundation and company
5. 3 Individual Nominees appointed to the foundation council and the company board for Public Registry purposes,
6. Pre-signed, undated nominee council and company board resignation letter with notarized and apostilled Powers of Attorney documents signed by the nominees for the foundation and company giving you or your designee full control over the day-to-day management and operations of both, allowing you to open bank accounts etc. You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.
7. Resignation letter from the initial two nominee subscribers renouncing their legal rights to their one share each that was needed to be inscribed into the public registry.
8. Notarised foundation private protectorate document and Foundation beneficiary certificate with name left blank allowing you to issue it to any person or entity that you elect at a time of your choosing, signed and sealed by the council.
9. Optional foundation letters of wishes drafting
10. Registered signed and sealed Share Certificate naming Foundation as sole stockholder
11. Initial corporate resolution appointing officers of corporation (First Minutes) and First Act document for the foundation.



12. Panama based bank accounts for the company and optionally for the foundation plus additional optional (or alternative to Panama) offshore bank accounts for the corporation and/or foundation with full internet banking in Belize and/or New Zealand.
 13. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit and/or no-name USD Mastercard Debit/ATM card with \$2,000 USD daily limit.
 14. An offshore brokerage account for the corporation and/or foundation with full online execution available and access to all major stock and futures markets.
 15. Optional trading account with offshore forex broker.
 16. Offshore mail receiving and forwarding pre-paid for one full year (only pay actual postage or courier expense).
 17. Ongoing corporate officer services as needed for invoicing, minutes, signatures etc. as needed.
 18. All government taxes and registered agent fees paid up until formation anniversary. (2nd year renewal cost only \$2400 - includes all government taxes, registered agent fees for both structures, nominees and management fees).
 19. Account signatory services package (minimum of \$750 waived for the first year - only pay percentage cost of 0.75% per transaction). Second year \$750 minimum cost equal to \$100,000 per annum.
 20. Investment advisor contract pre-paid or other document if needed to document relationship with company.
 21. Testamentary trust set up as foundation beneficiary with signed and sealed foundation beneficiary certificate showing testamentary trust as beneficiary.
- It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

International Fiduciary Structure article
Offshore debit card website [↗](#)

Panama Public Charitable Foundation

\$7,500

This is a true Panama charity approved by the government and useful for those that need a government recognized charity with no intrusive governmental oversight. Most useful for those that may already have domestic tax-exempt non-profit organizations which can only legally channel funds into other entities that hold a similar status. Also appropriate for church type structures that want a physical presence here in Panama as well as state recognition (see below an alternative for churches). Includes 5 nominee directors and 25 nominee "subscribers". Annual administration fee of \$1500 covers annual government reporting. Takes 3 to 6 months to receive government approval and must include at least some charitable plans in Panama, although there are no time conditions for them to be implemented. If no public charitable status required an ordinary foundation can be designated as a charitable private interest foundation with one or more charitable beneficiaries.

package details

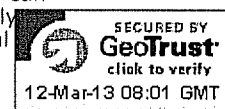
Panama Public Charitable Foundation Package

1. Panama Corporation - complete with:

- Original Articles of Incorporation, (in Spanish) with apostille,
- Official English Translation of Articles of Incorporation with apostille,
- Original Certificate of Incorporation and English certified translation with apostille
- Resident Agent and Registered Office,
- 5 Individual Nominees appointed to the foundation council for Public Registry purposes,
- Pre-signed, undated nominee council resignation letter,
- Foundation beneficiary certificate with name left blank allowing you to issued it to any person or entity that you elect at a time of your choosing.
- First Acts of the foundation council signed and notarized by nominee directors
- Private Protector agreement signed and notarized by foundation council appointing protector with name left blank for you to add in who you want to appoint protector of the foundation at any time now in the future.
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

2. General Power of Attorney

We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each).



You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

Panama Public Charitable Foundation article

Panama Church Foundation

\$1,850

A foundation with specially designed statutes and "Church" in its name for operating as one or another similar international religious organization. An ideal solution for those who want to escape the onerous political and financial control imposed by governments in many countries on churches - especially on those that are considered "new age" or "dangerous" or otherwise a threat to the political establishment. Also a much quicker and easier option than setting up a civil church structure in Panama (as above) with almost all the same benefits. Options: add \$600 for a Panama bank account; add \$75 for worldwide Fed Ex shipping.

package details

Church Foundation Package

1. Panama Foundation - complete with:

- Original Articles of Incorporation specifying church functions (in Spanish) with apostille,
- Official English Translation of Articles of Incorporation with apostille,
- Original Certificate of Incorporation and English certified translation with apostille
- Resident Agent and Registered Office,
- 3 Individual Nominees appointed to the foundation council for Public Registry purposes,
- Pre-signed, undated nominee council resignation letter,
- Foundation beneficiary certificate with name left blank allowing you to issue it to any person or entity that you elect at a time of your choosing.
- First Acts of the foundation council signed and notarized by nominee directors
- Private Protector agreement signed and notarized by foundation council appointing protector with name left blank for you to add in who you want to appoint protector of the foundation at any time now in the future.
- "Tasa Unica" (First year government tax is \$250 every consecutive year is \$300 + \$250 registered agent fee + \$240 nominee director fee).

2. General Power of Attorney

We will provide a General Power of Attorney, (notarized and apostilled) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc. (Additional apostilled Powers of Attorney \$150 each).

You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

Panama Testamentary Trust

\$1,200

This is a feature of our international fiduciary package but it can be added into any combination of offshore structures where a flexible and easy to understand estate planning tool needs to be incorporated into the solution. Because the trust is only settled upon death (or disability) there are no jurisdictions that require this type of trust to be reported.

Panama offshore bank formation

Contact us

Requires proof of \$3M capitalization of which \$250,000 must be deposited into government bonds held by Banco Nacional De Panama. Options include appointment of minimum two local directors required (if client does not already have any), preparation of comprehensive bi-lingual business plan, sponsored SWIFT membership application, correspondent bank account opening with major Panama bank, private label debit card issuance, Macrobank bank accounting and internet banking software.

Panama offshore bank formations article

Additional power of attorney with apostille - name is left blank for later completion unless you supply us with the name data that you wish to have included. Power of attorney allows attorney-in-fact (designee) to operate the company, open accounts etc. \$150

Nominee shareholder service with declaration of trust - up front and annual charge.

\$350
/yr

Certified/apostilled copies of nominee director passports/cedulas - none of our banks require these for account openings but some banks require these (e.g. Switzerland). Scanned copies are available at no charge by email.



Certified/apostilled additional foundation or company document set.	\$350
Updated Panama certificate of registry extract (certificado) with apostille - used where a certificate of good standing is required for companies or foundations one year or older. Without apostille cost is \$125.	\$200
Good standing certificate for companies in other jurisdictions - add \$150 to \$300 for apostille depending on jurisdiction.	\$250
Nominee director signatures on documents - add \$50 per notarized signature.	\$50 /doc
Nominee director signatures on documents notarized with apostille	\$150 /doc
Certificate of incumbency with apostille - certification by the company registered agent as to who the current directors are. Some banks require this certification, especially for companies where the director names do not appear in the registry extract or certificado.	\$250
Worldwide Fed ex courier document delivery - DHL or TNT also available as alternative courier delivery companies upon request.	\$75
Panama ordinary Type A commercial license - only required for businesses that wish to rent office space in Panama and conduct business physically from Panama.	\$675
Transfer of Panama corporation or foundation to our Registered Agent/Office	\$975
Nominee directors are replaced as well as registered agent/office. Includes a complete apostilled documentary package as in our basic Panama company / foundation new incorporation package. Fee does not include any previously unpaid tasa unica (tax) that may apply from the past.	

go to

Other Offshore Structures

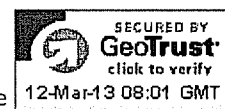


Standard Hong Kong Corporate Banking Package	\$2,875
Package includes the bank account opening in one of the largest international banks in the world with headquarters in Hong Kong. All of the above plus a Hong Kong bank account for US\$2,875 (+ \$100 courier fee) with no bank reference letter and no physical presence required. Only \$700 needed for account opening minimum which for convenience can be included in your initial payment.	
Anonymous Hong Kong Corporate Banking Package	\$3,675
Package includes the company and bank account opening as above plus nominee director and shareholder service for complete anonymity, all for US\$3,675 (+ \$100 courier fee).	
"Bullet Proof" Anonymous Hong Kong Corporation combined with Panama Foundation package	\$4,975
As above, except instead of the nominee shareholder service a Panama foundation is set up with a separate bank account to act as sole shareholder giving you direct control of the company through the foundation. Company income can be "donated" into the foundation and the foundation used for a myriad of purposes. Includes brokerage account opening options, complete mail forwarding service, pre-paid debit card and credit card options. US\$4975 (or US\$5975 if professional third party account signatory management desired).	
Belize IBC or Nevis IBC or Nevis LLC or Seychelles IBC	\$1,675
These include the same complete package <u>with apostille</u> as our Panama enhanced corporation package above but without nominee directors, since directors do not need to be publicly disclosed in the registry in these countries. Options: add \$250 up front and annually for nominee director service (includes apostilled Power of Attorney) and \$350 up front and annually for nominee shareholder service. Belize or St. Vincent bank account included or add \$500 for Seychelles bank account (for Seychelles IBC's only). Other bank account opening options available (see below). Add \$75 for worldwide Fed ex courier shipping	

Belize IBC package details

Belize IBC package includes:

1. **A Belize International Business Corporation** comprising Certificate of Incorporation, Certificate



Endorsement, Articles of Incorporation, Transfer of Subscription Rights, Share Certificate(s) and initial corporate minutes resolution. Apostille included at no extra charge.

2. **A full service multi-currency offshore bank account** in Belize and/or St. Vincent and/or New Zealand with internet banking, time deposit options, ability to send and receive bank wires from any other bank.

3. **No-name VISA Electron Debit/ATM** card with 3,000 EUR (approx \$4,500 USD) daily access limit or **no-name USD Mastercard Debit/ATM** card with \$2,000 USD daily limit.

4. **Secured offshore Mastercard with online access** (annual fee billed to first statement).

5. **An offshore brokerage account in Panama** with full online execution available and access to all major stock and futures markets in North America, Asia and Europe, managed CTA and forex programs, USD and EUR account options.

6. **Offshore mail receiving and forwarding** pre-paid for the first six months. Upgrade to one full year for additional \$150.

7. **Optional nominee director and/or shareholder service** available for \$250 or \$350 respectively.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Nevis IBC package details

SM&L's Nevis IBC package includes:

1. **A Nevis International Business Corporation** comprising Certificate of Incorporation, Certificate of Endorsement, Articles of Incorporation, Transfer of Subscription Rights, Share Certificate(s) and initial corporate minutes resolution. Apostille included at no extra charge.

2. **A full service multi-currency offshore bank account** in Belize and/or St. Vincent and/or New Zealand with internet banking, time deposit options, ability to send and receive bank wires from any other bank.

3. **No-name VISA Electron Debit/ATM** card with 3,000 EUR (approx \$4,500 USD) daily access limit or **no-name USD Mastercard Debit/ATM** card with \$2,000 USD daily limit.

4. **Secured offshore Mastercard** with online access (annual fee billed to first statement).

5. **An offshore brokerage account in Panama** with full online execution available and access to all major stock and futures markets in North America, Asia and Europe, managed CTA and forex programs, USD and EUR account options.

6. **Offshore mail receiving and forwarding** pre-paid for the first six months. Upgrade to one full year for additional \$150.

7. **Optional nominee director and/or shareholder service** available for \$250 or \$350 respectively.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Nevis LLC package details

SM&L's Nevis LLC package includes:

1. **A Nevis Limited Liability Company** comprising Certificate of Incorporation, Certificate of endorsement, Memorandum of Association of the Members, Ownership Certificate(s) and initial corporate minutes resolution. Apostille included at no extra charge.

2. **A full service multi-currency offshore bank account** with internet banking in Belize and/or St. Vincent and/or New Zealand with internet banking, time deposit options, ability to send and receive bank wires from any other bank.

3. **No-name VISA Electron Debit/ATM** card with 3,000 EUR (approx \$4,500 USD) daily access limit or **no-name USD Mastercard Debit/ATM** card with \$2,000 USD daily limit.

4. **Secured offshore Mastercard with online access** (annual fee billed to first statement).

5. **An offshore brokerage account** with full online execution available and access to all major stock and futures markets in North America, Asia and Europe, managed CTA and forex programs, USD and EUR account options.

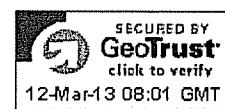
6. **Offshore mail receiving and forwarding** pre-paid for the first six months. Upgrade to one full year for additional \$150.

7. **Optional nominee director and/or shareholder service** available for \$250 or \$350 respectively.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Seychelles IBC package details

Seychelles IBC package includes:



1. **A Seychelles International Business Corporation** comprising Certificate of Incorporation, Certificate of Endorsement, Articles of Incorporation, Transfer of Subscription Rights, Share Certificate(s) and initial corporate minutes resolution. Apostille included at no extra charge.
2. **A full service multi-currency offshore bank account** in Belize and/or St. Vincent and/or New Zealand with internet banking, time deposit options, ability to send and receive bank wires from any other bank. Bank account opening option in Seychelles also available with major international bank for additional \$500.
3. **No-name VISA Electron Debit/ATM** card with 3,000 EUR (approx \$4,500 USD) daily access limit or **no-name USD Mastercard Debit/ATM** card with \$2,000 USD daily limit.
4. **Secured offshore Mastercard with online access** (annual fee billed to first statement).
5. **An offshore brokerage account in Panama** with full online execution available and access to all major stock and futures markets in North America, Asia and Europe, managed CTA and forex programs, USD and EUR account options.
6. **Offshore mail receiving and forwarding** pre-paid for the first six months. Upgrade to one full year for additional \$150.
7. **Optional nominee director and/or shareholder service** available for \$250 or \$350 respectively.

It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Belize IBC article | Nevis IBC article | Nevis LLC article
Offshore debit card website [↗](#)

Costa Rica Corporate Package

\$1,950

Similar to a Panama corporation but Costa Rica not looked at as an "offshore" jurisdiction. Also popular for gaming operators as CR business licenses that allow gaming still relatively inexpensive compared to other jurisdictions. Package includes 4 nominee directors and 2 nominee shareholders (both are minimum required) as well as a no-name stored value EUR Visa Electron debit card with online access issued by a Cyprus offshore bank or a USD Mastercard from a Belize bank. Incorporation takes up to 6 weeks so shelf companies available at no extra cost. Options: add \$350 for a Belize, New Zealand or St. Vincent bank account. Subtract \$260 for nominee shareholder service if providing own shareholders. No bearer share option but shareholder names (minimum 2 required) not in public domain. Add \$75 for worldwide Fed ex courier shipping.

package details

Costa Rica Corporation includes:

1. Costa Rica Corporation - complete with:

- Original Articles of Incorporation (in Spanish),
- Official English Translation of Articles of Incorporation,
- Resident Agent,
- Registered Office,
- Optional Nominee Directors (4) for Public Registry,
- Pre-signed, undated nominee director resignation letter(s),
- Share certificates (minimum of 2 shareholders needed)
- Notarised certificate of incorporation with certified English translation with government issued authentication ("Personaria" which is Costa Rican equivalent to Apostille since the country is not a signatory to the Haag Apostille Convention).
- All first year taxes paid

2. General Power of Attorney

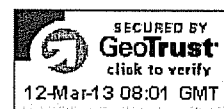
We will provide a General Power of Attorney, (notarized with government issued authentication) that has a blank space so you can insert any name you want. The person whose name appears in the Power of Attorney can then actually operate the corporation, sign contracts, open and operate bank or brokerage accounts etc.

3. **Special Costa Rica business licence options (gaming etc.) and bank account openings** available for additional costs.

4. **No-name VISA Electron Debit/ATM** card with 3,000 EUR (approx \$4,500 USD) daily access limit or **no-name USD Mastercard Debit/ATM** card with \$2,000 USD daily limit.

Costa Rica Corporation article
Offshore debit card website [↗](#)

**Belize IBC or Costa Rica Corp or Nevis IBC or Nevis LLC or
Seychelles IBC owned by Panama Foundation package**




Popular with those that desire to have the company to be in a different country than the foundation. This combined package contains the same features as the Panama foundation owned Panama corporation package except the bank account in Panama can only be opened by the foundation, although both are eligible to open the Panama brokerage account. Other bank account options available for the IBC's in this package (or LLC) include Belize, New Zealand and St. Vincent. Add \$1000 and each year thereafter if a fully managed package with bank signatory services is desired. Add \$75 for worldwide Fed ex courier shipping.

package details

Panama Foundation/Belize, Nevis, Seychelles etc. IBC Combination Package includes:

1. Original Articles of Incorporation (in Spanish for foundation) with apostille for both foundation and company,
 2. Official English Translations of Articles of Incorporation for foundation with apostille,
 3. Original Certificates of Incorporation for both foundation and company and English certified translation with apostille for foundation.
 4. Resident Agent and Registered Office for both foundation (in Panama) and company (in Belize, Nevis etc. as appropriate)
 5. 3 Individual Nominees appointed to the foundation council and two to the company board.
 6. Pre-signed, undated nominee council and company board resignation letter with notarized and apostilled Powers of Attorney documents signed by the nominees for the foundation and company giving you or your designee full control over the day-to-day management and operations of both, allowing you to open bank accounts etc. You may also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.
 7. Notarised foundation private protectorate document and Foundation beneficiary certificate with name left blank allowing you to issue it to any person or entity that you elect at a time of your choosing.
 8. Registered signed and sealed Share Certificate naming Foundation as sole stockholder
 9. Initial corporate resolution appointing officers of corporation (First Minutes) and First Act document for the foundation.
 10. Panama based bank accounts for the foundation if desired and for the company offshore bank accounts with full internet banking in Belize and/or New Zealand.
 11. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit and/or no-name USD Mastercard Debit/ATM card with \$2,000 USD daily limit.
 12. An offshore brokerage account for the corporation and/or foundation with full online execution available and access to all major stock and futures markets.
 13. Optional trading account with offshore forex broker.
 14. Offshore mail receiving and forwarding pre-paid for one full year (only pay actual postage or courier expense).
 15. All government taxes and registered agent fees paid up until formation anniversary (2nd year renewal cost only \$1400 - includes all government taxes and registered agent fees for both structures along with nominee fees).
- It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Corporation owned by a Panama Foundation article
Offshore debit card website 

Gibraltar IBC owned by Panama foundation

\$3,81

Gibraltar is still the best jurisdiction if an EU based corporate presence is required for credit card processing or other business applications. For anonymity purposes we provide nominee directors and recommend a Panama foundation as owner due to shareholder information otherwise being public information. Bank account opening in Gibraltar for the IBC and in Panama for the foundation plus all the other features of the standard foundation/corporation combined package. Add \$75 for worldwide Fed ex courier shipping.

package details

Panama Foundation/Gibraltar IBC Combination Package includes:

1. Original Articles of Incorporation (in Spanish for the foundation) with apostille for both foundation and company,
2. Official English Translations of Articles of Incorporation for foundation with apostille,
3. Original Certificates of Incorporation for both foundation and company and English certified translation with apostille for foundation.
4. Resident Agent and Registered Office for both foundation (in Panama) and company (in Gibraltar).
5. 3 Individual Nominees appointed to the foundation council and two to the company board.
6. Pre-signed, undated nominee council and company board resignation letter with notarized and apostilled Powers of Attorney documents signed by the nominees for the foundation and company giving you or your designee full control over the day-to-day management and operations of both, allowing you to open bank accounts



also provide the attorney-in-fact name, citizenship and passport information as an alternative if you need this information included in the text rather than being written in by yourself later.

7. Notarised foundation private protectorate document and Foundation beneficiary certificate with name left blank allowing you to issue it to any person or entity that you elect at a time of your choosing.
 8. Registered signed and sealed Share Certificate naming Foundation as sole stockholder
 9. Initial corporate resolution appointing officers of corporation (First Minutes) and First Act document for the foundation.
 10. Gibraltar based bank account for the company and optionally for the foundation plus additional optional offshore bank accounts for the corporation and/or foundation with full internet banking in Belize and/or New Zealand.
 11. No-name VISA Electron Debit/ATM card with 3,000 EUR (approx \$4,500 USD) daily access limit and/or no-name USD Mastercard Debit/ATM card with \$2,000 USD daily limit.
 12. An offshore brokerage account in Panama or Gibraltar for the corporation and/or foundation with full online execution available and access to all major stock and futures markets.
 13. Optional trading account with offshore forex broker.
 14. Offshore mail receiving and forwarding pre-paid for one full year (only pay actual postage or courier expense).
 15. All government taxes and registered agent fees paid up until formation anniversary (2nd year renewal cost only \$2000 - includes all government taxes and registered agent fees for both structures along with nominee fees).
- It is recommended that all documents be sent to you via courier since ordinary mail could take many weeks and risk of non-receipt is high. Therefore add \$75 to the above pricing for DHL shipping or provide us with your DHL or Fed ex account number for us to bill.

Offshore debit card website [↗](#)

Delaware LLC owned by Panama foundation

\$2,85

The best asset protection solution for holding U.S. based properties which also allows for anonymous ownership. Each property is titled by a separate LLC structure with the Panama foundation as sole LLC member and the nominee president of the foundation council (board) acting as LLC manager. Includes all necessary notarized LLC manager signatures on property conveyance paperwork. There is no public record in Delaware of the members of an LLC as this information is only contained in the LLC memorandum of association. Since the Foundation in reality is the ultimate beneficial owner, this protects the property from lawsuits and creditor actions (after minimum 3 year statute of limitation on "fraudulent" conveyance has passed). A judgment creditor would be forced to bring their action to Panama's courts and of course foreign civil judgments are not recognized. (Similar solution available for U. K. and France properties utilizing U. k. LLP and French SCI respectively). Add \$75 for worldwide Fed ex courier shipping package details

Delaware LLC with Panama Foundation as Sole Member

This is particularly suited for ownership of U.S. real estate as well as other assets such as vehicles. Unlike most other U.S. LLC's Delaware's corporate statutes allow single member LLC's. The property is titled in the name of the LLC but the Panama Foundation as sole member owns the LLC. There is no public registry or other public record in Delaware of the members of an LLC as this information is only contained in the LLC memorandum of association. Since the Foundation in reality is the ultimate beneficial owner, this protects the property from lawsuits and creditor actions. A judgment creditor would be forced to bring their action to Panama's courts and of course foreign civil judgments are not recognized.

Swedish Ekonomisk Forening

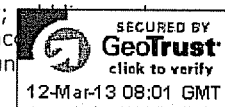
\$13,7

A cooperative savings and loan association otherwise known as a credit union able to offer depository and other financial services to a closed circle or group of existing clients or members. Is not subject to oversight by the Swedish FI (FSA) so long as its services are not offered to the general public. Add \$2000 for a bank account opening in the EU (Hungary); \$1000 up front and annually per nominee director (3 directors required); \$3000 up front and annually per Sweden based nominee director; \$2000 annual Swedish registered agent fees which include annual tax return preparation and filing by the beginning of the following calendar year; add licensed Panama financial services company at a discount for just \$1950 to reduce taxable income of the credit union by outsourcing. Other options include generic or private label debit card issuance and Macrobank accounting and internet banking software.

New Zealand Offshore Finance Company

\$13,7

A special company able to offer to all but NZ residents banking and depository services without restriction but cannot use the name "bank" or refer to itself as one. Includes IRD registration and "Approved Issuer Levy Status" if needed (applicable if NZ based banking and/or investing is planned). This is the same entity you can find on some websites being offered for up to \$40,000 set up the same way (i.e. correctly)! No oversight required by the NZ Reserve (Central) Bank or other governmental agency but is subject to statutory regulation and must file audited annual statements if more than 25% of stock owned by foreign nationals or entities.; add \$2000 each for account openings in either New Zealand (personal presence required) or EU (Hungary - not required); add \$1000 per nominee director; Panama financial services company at a discount for just \$1950 (normally \$2,850) to reduce taxable income by outsourcing. Other options include generic or private label debit card issuance and Macrobank accounting internet banking software.



New Zealand Offshore Finance Company article
Internet banking software article

Delaware (USA) Corp Package for non-U.S. persons

\$1,500

For non-U.S. citizens and residents the USA is a tax haven, although we don't recommend trying to open a U.S. bank account as a foreigner. There are far better options elsewhere.

package details

Delaware Corporation Package

Offshore in the U.S.A! Delaware much to the chagrin of certain EU countries provides much of the same features to be found in offshore IBC's - namely freedom from income tax if business is conducted outside of the U.S., no shareholder registry, nominee directors allowed, one person can be the only officer, and corporate records and books can be kept anywhere in world. For a non-U.S. person a Delaware corporation makes for an ideal holding company for offshore business activities. Package includes apostilled certificate and articles of incorporation, registered agent, nominee director, initial resolutions and minutes and share certificates. A Swiss or Panama bank account can be optionally added for just an extra \$250.

Belize Offshore Asset Protection Trust

\$1,800

Although for most people we think the foundation is superior some are more familiar and/or comfortable with a trust. We think Belize still offers one of the best jurisdictions for trusts. Add \$500 for bank account opening in Belize.

Offshore Asset Protection Trust article

Other jurisdiction IBC's

Conti
Us

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Annual Fees

Annual Renewal Fee per entity (**Panama**, includes franchise tax) - nominee director or shareholder fees are not included \$550/yr

Annual Renewal Fee per entity (**Belize**) - nominee director or shareholder fees are not included \$540/yr

Annual Renewal Fee per entity (**Costa Rica**, includes annual \$0 tax filing) - nominee director or shareholder fees are not included \$500/yr

Annual Renewal Fee per entity (**Delaware**) - nominee director or shareholder fees are not included \$500/yr

Annual Renewal Fee per entity (**Nevis and Seychelles**) - nominee director or shareholder fees are not included \$600/yr

Annual Renewal Fee per entity (**NZ Offshore Finance Co. and Swedish Ekonomisk Forening**) - includes annual tax filing service. Nominee director or shareholder fees are not included since they are optional. \$2000/yr

Annual Public Registry Nominee Director Service (Panama corporations only) - three directors. \$240/yr

Annual Nominee Director Service for Belize, Costa Rica, Delaware, Nevis, Seychelles and Uruguay companies - one to three directors as needed, except for Costa Rica which requires a minimum of 4. \$250/yr

Annual Nominee Director Service for Swedish Ekonomisk Forening - add an additional \$1000/yr for Sweden resident. \$1000/yr /director (non-resident)

Annual Nominee Director Service for NZ OFC \$1000/yr/director

Annual Company/Foundation Management Package with Bank Account Signatory Services Fees at 0.75% on all incoming deposits up to \$1M annually, 0.50% from \$1M to \$10M annually, and above \$10M 0.25%. \$1000

Signatory services article



Contracts & Corporate Forms

Investment Advisor Contract details	\$250
General Manager Contract details	\$250
Independent Contractor Contract details	\$250
Private Annuity Contract Private Annuity Contract article	\$350
Mortgage Contract details	\$350
Loan Contract	\$250
Foundation Letter of Wishes Drafting (tailored) - simple letters of wishes do not require any fees to be paid if the foundation council simply needs to endorse your written wishes. details	\$250
Foundation Custom Reglament Drafting (with notarization) - reglamentes (rules or procedures) drafting is only necessary for third party managed foundations with complex charitable or beneficiary funding activities. details	\$675

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Legal Services

Real Estate Conveyance Package	\$1500
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Package does not include title insurance but includes everything else needed to complete the whole process of buying or selling a property in Panama including preparation of contracts, transfer of title in the public registry and managing the escrow. We can also assist by providing reliable professionals to do appraisals, survey work etc. which would be billed extra.

Ship or Yacht Registration	Contact us
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Attorney Hourly Billing	\$150 /hour
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We do not bill for most phone calls and all our incorporations include a reasonable amount of legal consultation and advice. We will pre-advise if we feel that the consultation and work we need to do for you require additional legal fees to be paid. Our standard lawyer retainer is \$1000 against which hourly fees and expenses are billed.

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Account Opening Services

Panama Bank Account & Brokerage Account package with offshore secured Mastercard Package and no-name \$850 VISA Electron Card - see below for Panama bank account condition.

Panama Bank Account - only available to our own clients who have incorporated through us or have re-domiciled \$600 their existing company to our registered office / agent and nominee directors (if client is using nominee directors). Offshore Banking article

Panama Brokerage Account	\$350
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E-Commerce Credit Card Merchant Account with Bank in Panama - includes bank application and due diligence fee of \$500 and opening of Panama bank account for daily card transaction settlements. Bank requires formation of Panama corporation upon their acceptance. E-Commerce article

E-Commerce Credit Card Merchant Account with payment processor E-Commerce article	\$750
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Financial Institution Bank Account (New Zealand or Hungary)	\$2000
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New Zealand Offshore Bank Account Package and "Anonymous" Bearer Visa Electron Card Package

Andorra Bank Account Offshore Banking article



Belize Bank Account	\$500
Austria Bank Account Offshore Banking article	\$500
Denmark Bank Account	\$500
Hungary Bank Account - no reference letters required. \$300 additional required for certified translation of all corporate documents into Hungarian.	\$700
St. Vincent Bank Account	\$500
Switzerland Bank Account Offshore Banking article	\$500
Anonymous (no name) Mastercard stored value debit/ATM card with Internet Access (Belize Bank) - denominated in USD. Add \$50 for courier shipping. Available soon!	\$150
Anonymous (no name) VISA Electron stored value debit/ATM card with internet access (Cyprus Bank) - denominated in EUR. Add \$40 for TNT courier shipping.	\$150
Other Jurisdiction Bank Accounts	Contact Us
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Business Services



Panama Web Hosting Panama Web Hosting article	Contact Us
Panama Mail Receiving and Forwarding Service	\$300/12mth
Annual contract. Forwarded according to client instructions and at their cost. Mail Receiving/Forwarding article	
Panama Virtual Office Services	\$1200/12 mths \$700/6 mths or \$400/3 mths
Services include dedicated office phone answered by secretary in your company name during working hours and voicemail after hours, shared fax number mail receiving and forwarding. \$250 one time set up fee plus your choice of quarterly, semi-annual or annual billing. Panama Virtual Office Services article	
Back Office Banking Software/Accounting/Client Internet Banking Services - special turn key back office multi-currency accounting, client internet access hosted on two separate servers in Panama dedicated to client's own business starting at \$1750 per month. Designed for financial institutions, investment funds etc.	Contact Us
Colon Free Zone virtual presence - import in bulk, repackage and fulfill wholesale or retail client orders from the Free Zone without having to have your own dedicated warehouse/office space in the Zone meaning your business can operate 100% tax-free whether or not remittances are banked in Panama. Outsourcing packages can be quoted depending on your needs.	Contact Us

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Panama Immigration Legal Services

Pensionado Visa program

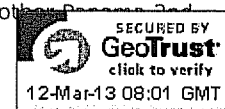
Panama Passport Programs article

Legal fees for primary applicant (Includes govt fees)	\$1,600
Each dependant (spouse and children under 18 - includes govt fees)	\$750

Panama Instant Passport program

Passport is for international travel and Panama residency purposes and does not grant citizenship. For other passport options please contact us for pricing and options.

Panama Passport Programs article



Legal fees for primary applicant (Includes govt fees)

\$5,000

Economic Solvency, Investor and Reforestation Visa Programs

Panama Visa Programs info

With the exception of the Pensionado Visa above these are the only other residency visa programs that lead to citizenship. All fees quoted include government fees.

Stage 1

Legal fees for 1 year temporary immigrant visa for primary applicant	\$1800
Each dependant (spouse and children under 18)	\$800

Stage 2

Legal fees for permanent residency visa and cedula issuance for primary applicant	\$1000
Each dependant (spouse and children under 18)	\$800

Stage 3

Legal fees for naturalization and passport issuance	\$3,000
Each dependant (spouse and children under 18)	\$2,600

Temporary Work Visa programs

(Executive and Free-Zone and City of Knowledge work programs)

Legal Fees for 1 year - 2 year temporary work visa:	
Legal fees for temporary work visa	\$2,000
Each dependant (spouse and children under 18)	\$1,500
Government Fees and Costs (per person)	\$800

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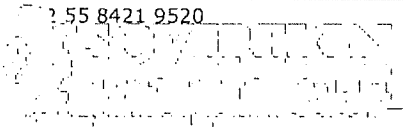
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EXHIBIT 9

+1 305 517 7570 +44 (0)20 3287 6560 +852 8170 0120 +61 (0)2 8006 9350

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Asset Protection Article Index

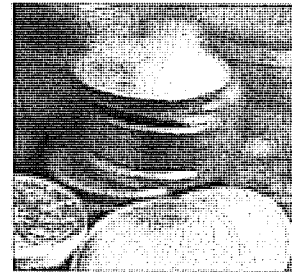
Conveyance of Assets
Asset Protection Solutions
Asset Protection For Properties
Solutions For Liquid Assets
Breaking the Paper Trail

Protecting assets can mean many different things for different people and it could also depend on what country you live in. In general it means protecting your assets from financial enemies that wish to seize those assets for themselves for varying reasons. They could be private parties or they could be a government agency. Since it is all too easy in many countries these days to have your assets seized for a multitude of sins of commission or omission, it is important to make sure your assets are protected, not in your personal name, not easy to locate and ideally in a

jurisdiction where the law makes it difficult for your enemies to fish around for information and which does not have any information sharing treaties with other countries nor recognizes foreign judgments.

1. With very little effort almost anyone (a tax authority, someone who is suing you, a selfish ex-spouse, etc.) can get a clear picture of your personal and financial information.

How? Simply by tapping into the vast amount of data that is stored on everyone. Detailed records are kept not only by the federal government but also by state and local governments, the census office, the credit bureaus, insurance companies, health authorities, financial institutions, internet companies, and so on. Such records include tax returns, various licenses and registrations, marriage certificates, deeds, court documents, credit reports, medical histories, marketing profiles, insurance applications, etc. What is worse is that you have little to no control over how this information is collected and disseminated. For instance, under current law, creditors, litigants, or private detectives are often allowed to find out how much money you have in the bank in many countries.



2. People who stand out as successful, wealthy individuals, may become targets of unwanted lawsuits.

If your wealth and assets can be easily detected, you may be attracting unwanted lawsuits, be it divorce suits, damage suits, professional negligence suits, and nuisance suits. Once you get involved in a lawsuit such as these, it will not be long before your assets evaporate. According to a credible source, there are currently over one million such lawsuits working their way through the courts in the US alone.

3. As a director or officer of a corporation, you may lose some or all of your personal assets if the corporation is sued.

Most lawsuits these days will name the directors of the company in addition to the company itself and most countries courts now make it very easy to penetrate the "corporate veil" and go after the directors of the company as well as the owners.

4. Retirement does not protect you from malpractice or liability exposure.

You may be sued for events that took place many years ago, as long as the applicable statute of limitations did not expire.

5. In certain cases, the courts can allow your creditors to seize assets held in the names of wives and children, as well as retirement funds.

In the case of wives' and childrens' assets they can be deemed to be "fraudulently transferred" if done within at least three years prior to the beginning of the lawsuit. Sometimes this can be as much as five years or in certain cases if they are seen as having benefited financially from you over a longer time then even five years, the court can allow your creditors to seize those assets as well. This could happen if the court decided that they benefited from "illegal enrichment".



Conveyance of Assets

The critical element in protecting assets such as real estate, if they are already in a vulnerable position under your personal name, is the ability to move those assets to safety. If you are already in the middle of a lawsuit that you feel could go badly for you or you anticipate one shortly, the question of moving assets is very critical, because courts in many countries will deem the transfer of title on a property, to be "fraudulent" if done anytime within the prior three years before the time of the filing of the suit. Each country and state have their own time limit to define what is a fraudulent conveyance, but in general three years is the minimum and sometimes it can be as many as five years. A court can compel the repatriation of assets conveyed within those time periods and to refuse can put you in contempt of court. Since things like property deeds show a clear chain of title that is publicly available there may not be many options available to you if you are already in the middle of a lawsuit.

However, if no lawsuit has been filed yet, the sooner you put in place an asset protection plan for those assets the easier you will sleep at night, even if you are in imminent danger of a lawsuit being filed. Sometimes your financial enemy's lawyers are lazy and they may only do a cursory public record check to see if there are any assets held in your name. This they may do to first see if there are any assets to go after and a search that comes up negative may mean that the lawsuit never gets filed. They may not have any leads to delve deeper into the ownership history on a particular property unless they have done their own investigative work and been furnished with other information about where you were known to have owned property in the past. Also public records are accessible and stored at a local level. Unless that lawyer already has an inkling of where properties may be located and therefore knows what county's records to look in, it could be like looking for a needle in a hay stack in a country such as the U.S. where there are a thousands upon thousands of counties to potentially search.

Hence, even though if you are within the time limit for a conveyance to be considered "fraudulent" you may still be safe since public records will show that you do not own any property. In other words you may not be found out and as a result the lawsuit does not materialize. If a lawsuit does eventuate and a judgment against you obtained, the court will then require a detailed examination to take place on your assets. Part of that examination would entail the disclosure of any assets sold or conveyed with the previous 3 or 5 years depending on the law of the state or country. Since this information has to be provided to the court under penalty of perjury, it will put you in a difficult position since not to disclose information that gets subsequently found out could expose you to criminal prosecution.

Cash and securities conveyed come under the same guidelines and the burden will be put on the transferor to show what was the purpose of the transfer and why they cannot be repatriated.

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Asset Protection Solutions

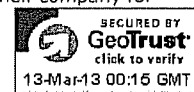
The heart of any asset protection solution will use different types of corporations, foundations and trusts as a way to insulate the original owner from the assets and make it difficult for an enemy to penetrate "the corporate veil". A legal structure under law becomes a different legal entity and separate from an individual. In certain jurisdictions such as Panama, Belize, Nevis and others laws have been created to enhance the characteristics and features of a corporation to the greatest extent possible. (The same also applies to foundations and trusts). As an example see Panama corporations for further details on the flexible features of these types of companies (otherwise known as International Business Corporations or IBC's for short), which makes their operation convenient and effortless. So that the entity or entities created do not appear to be an individual's alter ego, certain minimum standards must be adhered to in the set up of the structure as well as its operational characteristics. Where applicable this may include the use of nominee directors and third party shareholder solutions that utilize other entities, especially a foundation or a trust.

Asset Protection Solution for Properties

For property, the best option is to use a local limited liability company (U.S. and Canada) otherwise known as a limited liability partnership in the U.K. and certain other countries such as Australia, which we can assist in setting up. Other countries have their equivalents which we can advise on. What we do is set up the LLC or LLP with the foundation as sole member or 99% member if a minimum 2 members are required such as many U.S. states LLC's or the U.K. LLP. For the U.S. we recommend the Delaware LLC which only requires a single member. The president of the foundation is appointed as General Manager of the LLC/LLP who can then be the signatory on the other side of the conveyance transaction. View our fee schedule for pricing and further details of this solution where you can see we have created a low cost solution that involves a Delaware LLC owned by a Panama foundation which would be suitable for U.S. properties. A U.K. LLP or French SCI could be used in the same way if the property is located in one of those countries.

The same solution can be used for vessels, vintage or luxury cars and depository storage of paintings, precious metals etc. or any other asset that entails a title record maintained by some governmental or private entity. Obviously assets stored in your own home would be harder to protect this way because it would be harder to prove that some other entity actually owns the asset rather than yourself.

For this to work the property or other asset would need to be owned free and clear. Therefore if there is an existing mortgage on say the property, the lender is usually not going to be willing to allow you to transfer the property to a corporate entity without the loan first being paid off. If this is not possible then another option could be to try and refinance the property to the maximum loan to value amount possible. Even if you do that there is still probably going to be equity that needs to be protected and so another possible solution for that is to file a so-called a "friendly lien" from an offshore company. This has to be done carefully because courts have become familiar with this type of strategy and may possibly question whether or not you have any type of interest in the company. For obvious reasons this entity filing the lien needs to be at complete "arms length" from the property owner and not associated in any way. We can provide so called "shelf" or ready-made companies for this purpose which been set up for a few years and therefore have a history behind them. Please contact us for more information on using a shelf company for this purpose as well as current shelf company options and pricing.



Asset Protection Solutions for Liquid Assets

All of our formation packages that you see listed on our fee schedule will have asset protection features but some are more tailor made for such a goal than others. In general the following are the general requirements to consider when considering how "bullet proof" an offshore asset protection strategy will be:

1. Does the chosen country have information sharing treaties?

Panama is an obvious choice as it has none. A few others like Belize are in a similar league but watch out because many so called tax havens are rushing to sign information sharing agreements to appease the richer Western nations of the world that are demanding these generally poorer nations sabotage a key competitive advantage in their bid to attract capital and assets to their nations, so that they can go after tax scofflaws. Panama's chosen strategy to appease is to sign far less damaging dual taxation agreements so that the same income is not taxed twice rather than entering into tax information sharing agreements, thereby institutionalizing endless fishing trips for information from the U.S. and other advanced nations and a constant one way flow of information.

2. Does the chosen country recognize foreign judgments?

Panama along with Belize, Nevis and a number of other tax haven nations do not.

3. Does the chosen country have strict banking secrecy and prohibit "fishing" expeditions (governmental agencies and private investigators being able to hunt down information on assets and their owners)?

Again Panama is at the top of this dwindling list.

4. Does the chosen country publicly disclose corporate shareholder information?

Panama and many of the other Caribbean and Island tax havens still do keep this information private.

5. Does the chosen country make it easy for litigators to bring their suits to file in their court system?

Once again Panama and a few of other jurisdictions such as Belize and Nevis do not.

6. Does the chosen strategy provide a comprehensive director and shareholder solution and/or third party managed solution?

At a minimum we recommend the setting up of a foundation and one or more companies where it acts as sole shareholder. See more on our foundation owned company strategy and why. Some or all of these companies could be in different jurisdictions from the Panama foundation depending on what else needs to be accomplished besides just the asset protection. The general approach is the more "arm's length" the set up is from the original owner the safer one will be. Therefore a more comprehensive solution could involve the set up of an International Fiduciary Structure and/or involve our professional management and signatory services option which will complete the total distancing of the assets away from their original owner.

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Breaking the "Paper Trail"

For protection of liquid assets it is vital to only use countries with strict financial privacy and to employ a means of breaking the paper trail that follows in the wake of a transfer out of your own country. The most effective way in dealing with this is using our multi-jurisdictional approach where one or more structures are set up with a bank account in a different country. Transfers out of your country first go to a different company bank account and country where they reside for a few months to keep that bank happy. Little by little then, some or most of the funds can be then forwarded on to another company in a different country or they could go to a separate brokerage account held in another country such as Panama that has strict financial privacy. The banking secrecy in the first jurisdiction will prevent investigators discovering the ultimate destination of the funds in the second jurisdiction.

We have created a special package known as the multi-jurisdictional company/banking package that utilizes two different companies, one set up in Panama, the other in Belize, each with their own bank account in those respective countries. Both companies are owned by the Panama foundation which also can be a very useful vehicle for the repatriation of funds by the way of gifts to your children for instance as well as to manage and plan your global estate.

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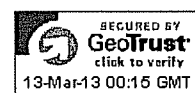


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Offshore Account Signatory Services

What are Offshore Account Signatory Services?

Put simply, account signatory services refer to the nomination a third-party professional who is vested with the authority to sign binding agreements on behalf of an IBC.

For most people, our recommendation for ultimate asset protection and tax efficiency is that, with any structure you cause to be set up, you not designate yourself as manager, beneficiary, stockholder, officer or trustee – in other words, it must be totally at "arms length" from you.

This may not be enough to protect you, however. Some countries' tax authorities impose tough sanctions on those who do not disclose their signatory authority on foreign bank accounts.

To disclose the details of such accounts—and give up the very financial privacy that you are seeking—obviously makes little sense. Hence, nominating a third party professional to act as signatory, who is not subject to such



reporting requirements, is a viable solution.

Many people, however, are reluctant to allow a third party to have signatory authority, for fear that it will be abused in some way, either by the signatory absconding with the assets or by the signatory blackmailing the beneficiary of the assets with threats of revealing this information to that person's tax authority.

Under Panama's business confidentiality laws, this type of abuse is a serious offense, punishable by jail sentences, which itself provides a significant deterrent. Additionally, law firms are regulated and individual lawyers are licensed, so the risk of losing a license, and therefore one's livelihood, would also be an additional incentive.

For a company or other entity to qualify for signatory control by an officer or other closely supervised employee, however, it is necessary for there to be substantial involvement in the business of the company and its business operations, so that there is total familiarity with the business and its sources of income.

The "know your customer" rule, of course, applies to all who wish to open a bank account in a privacy-oriented jurisdiction. For a professionally managed entity provided with such signatory services, this rule will be applied more rigorously.

Advantages of Account Signatory Services for your IBC

This option provides you with the maximum asset protection on all fronts as well as tax efficiency.

In addition to the benefits offered by the appointment of nominee directors to the Company Board, you get true arms length management of your structures, including any bank or brokerage accounts.

This will:

- Help you avoid foreign account reporting requirements that many countries now have (such as the USA and Germany). Because of the privacy surrounding the account, it is unlikely, unless you are careless, that such information will ever reach the authorities.
- Prevent severe penalties from many government tax authorities for not reporting your signature authority on any foreign bank account.
- Provide you with the needed extra element of removal from your assets, so that your official legal capacity is one of a "behind the scenes advisor" only. You neither own nor "control" the assets in any function. Also, you are not named as a beneficiary in any way.

Please see International Fiduciary Structure for further information on how we recommend setting up the ultimate "bullet-proof" fully-managed foundation and company structures.

Why Choose Sovereign for Account Signatory Services?

For Sovereign's law firm, the Account Signatory service is one of our core competencies. Since corporate

administration and corporate law is our specialty, a big part of that includes the detailed work of executing transactions.

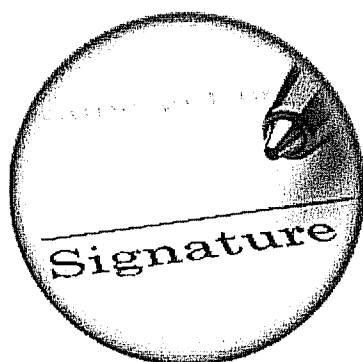
Sovereign also provides this service for considerably less than what other law firms charge. Our price for this service is only a base annual fee of \$1,000 plus a 0.75% tariff charged one time on funds paid into the structure(s) being managed.

We undertake to have your transactions completed just as expediently as if you had transacted them directly with the bank. Online access is granted to any accounts being managed so that you can monitor the status of incoming or outgoing transactions at any time.

While some other law firms can provide you with this service (of the ones that would not abuse this trust), our experience has been that these service offerings tend to be more expensive and instructions can take longer to get executed.

Most law firms have to be more diverse and thus have a myriad of client needs to manage. Often these law firms have to be in court or out of their office working on behalf of one client or another. For these firms, this type of transaction-oriented management services can be more of a nuisance than anything else.

To set up a non-controlled foreign company with Professional Management, including account signatory services click the link below.



eCommerce

International Fiduciary Structure

Mail Forwarding Service

Offshore Asset Protection

Offshore Re-invoicing Services

Panama Foundation & Corporation Package

Private Annuity Contracts

Professional Management

Reduce Taxes

Signatory Services

Virtual Office Services



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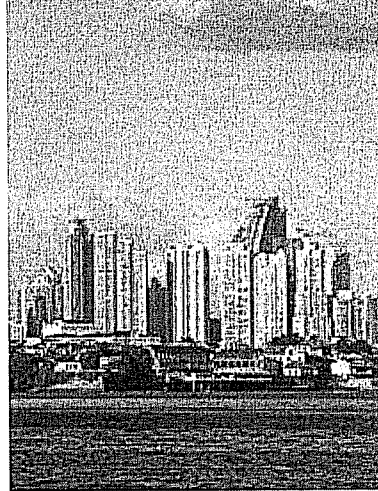
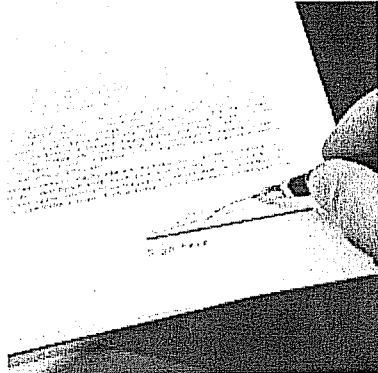
Navigating the myriad of options for structuring your international or offshore business can be simply overwhelming.

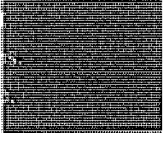
We encourage you to get in touch with us for a FREE, no obligation, absolutely confidential, personal consultation.

Sovereign Management professionals are ready to help guide you in setting up an offshore company structure that specifically meets your needs.

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Panama Foundation

(Panama Private Interest Foundation)

[Overview of a Panama Private Interest Foundation](#)

[Benefits of a Panama Foundation \(PPIF\)](#)

[Panama Foundation Tax Advantages](#)

[Top Uses of Panama Foundations](#)



Panama Private Interest Foundations may be established for the benefit of a person or persons, a family, or a specific social purpose.

In general, you may want to consider a PPIF if you wish to control and maintain ownership of foreign corporations, however, you do not wish to own your corporations directly, due to the Controlled Foreign Corporation (CFC) rules in your home country.

Several highly taxed countries (such as the UK, Canada, USA, Australia, New Zealand, France, Italy, Spain, etc.) have strict CFC rules. These rules require that their citizens submit declarations (reports) to the appropriate tax authorities, wherein they declare that they are the shareholders of such foreign corporations.

Instead of holding the corporations' shares in their personal name or in bearer form, they establish a Private Interest Foundation in Panama that holds or owns the shares of their foreign corporation(s), thus avoiding the CFC reporting rules. Hence, the advantage of using the Foundation as a shareholder for their corporation is to remove ownership from one's personal name (or through a Bearer Share arrangement).

This ownership is transferred to the name of a foreign entity, which does not have owners, rather has privately appointed beneficiaries, which are anonymous. In this way, there is no question as to who owns the company, since the company's shares are issued to the Foundations' name.

Another advantage of utilizing the Foundation as a shareholder applies when opening corporate bank accounts or investment accounts. The financial institutions require that you reveal the beneficial owners of the corporation. Through the Foundation ownership strategy, one can state that the Foundation is the owner of the corporation. Again, the objective is to remove ownership from their personal name, to the name of a foreign entity whose ownership is anonymous.

The Panama Foundation provides additional advantages other than just ownership. For example, the Panama Foundation can be useful in transferring funds offshore or receiving funds from offshore. In some cases, people use Panama Foundations as vehicles for these purposes.

Some people donate their funds to their Panama Foundations and later use the Foundation to give educational or special grants to their children, grandchildren, or any one else they choose. The advantage, in this case, is to avoid fiscal regulations surrounding donations, where some governments impose "gift taxes" and exhaustive reporting requirements.

In general, PPIFs may not engage in habitual profit-making commercial activities as a corporation can. Nevertheless, they may carry out commercial activities from time to time, as long as the profits of these

Panama Foundation Facts

Brief History of Panama Foundations

Glossary of Panama Foundation Terms

Panama Foundation Solutions from Sovereign

If you are ready to set up a Panama Private Interest Foundation or if you are almost sure, but have more questions, then click the "Let's Get Started" button below.

You may also want to visit the following pages for additional options and more info:

- Panama Foundation & Corporation (IBC) Combo
- Panama Charitable Foundation
- Panama Company
- Panama Financial Company
- Panama Passport and Residency
- Ship and Yacht Registration Services
- Panama's Secrecy Laws



Cook Islands Trust

Panama Foundation & Corporation Package

Panama Private Interest Foundation

Panama Charitable Foundation

International Fiduciary Structure



Have Questions? We Can Help.

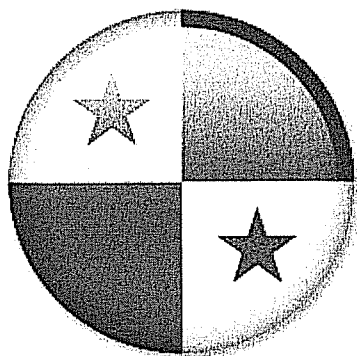
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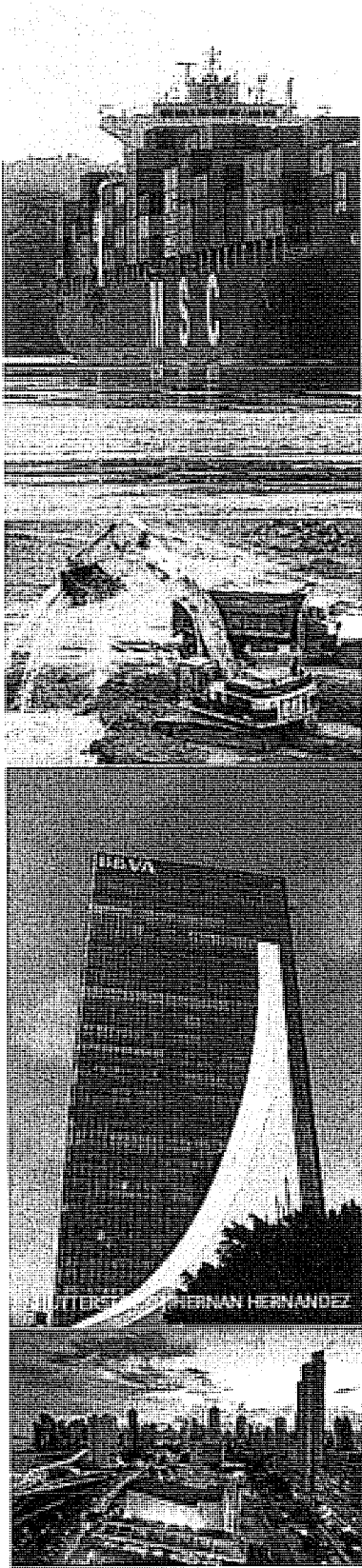
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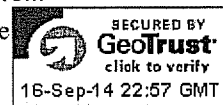
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Mail Receiving and Forwarding

In order to complement the proper establishment of their corporate offshore identity, our clients usually like to establish an efficient mail forwarding service with both a physical address for the receipt of packages sent by courier services such as DHL and Fedex, as well as a Post Office Box for receipt of mail. For the latter we offer options in both Miami as well as Panama City.

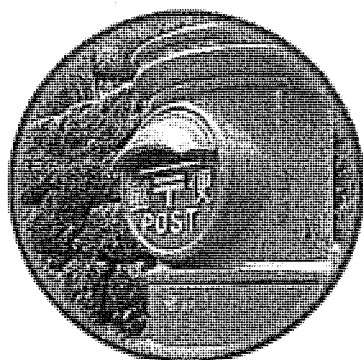
Since most of our clients are also establishing banking and investment accounts, they need to have a physical and postal address for the receipt of bank account statements, brokerage statements, as well as correspondence from clients.

The corporation's mail will be forwarded to you per your instructions, or it may remain at our offices for safe keeping. Courier or post mail forwarding costs will be billed to the corporation as these costs are incurred, which vary according to the method and frequency in which you would like your mail forwarded to you. Generally, sending courier packages costs around US\$50, depending on what country they are sent to. Post mail costs can vary from country to country, but generally not more than around US\$10 per package, depending on the weight and size.



Mail Receiving and Forwarding

Please contact us to design a custom tailored mail forwarding package for your needs if necessary. Our fee for corporate mail forwarding is only \$250 per year plus actual forwarding costs which will be applied to a small deposit which will vary according to the volume and frequency anticipated.



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Mail Forwarding Service

Offshore Asset Protection

Offshore Re-invoicing Services

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Professional Management

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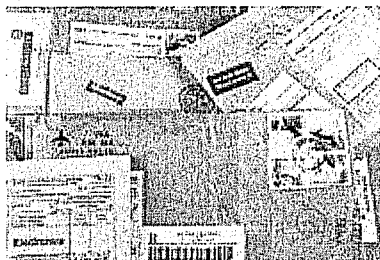
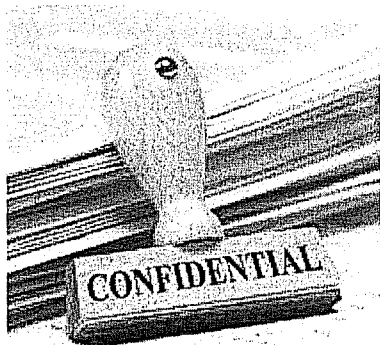
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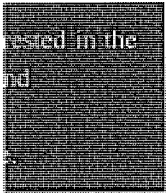
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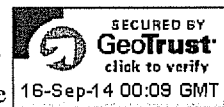
Invest and Bank Offshore

Corporate-owned vs. Personal Accounts/Structures

If your primary reason for going offshore is for more secure, more private, safer and more varied banking and investment options, then the first thing you need to consider is the formation of one or more offshore structures. Without thinking, many people assume they can simply open a personal account in their name and, because that account exists in a country and bank that still observes strict banking secrecy, their identity will be protected by the bank and that nation's privacy laws.

The problem here is that every time you want to make a payment into the account or out of it, your name will be, in effect, broadcast to the world as the owner of that account. This is because the so called numbered accounts of the past are no longer available anywhere. Any incoming or outgoing payment from the account will always have your name associated with it on the bank-to-bank routing instructions. Therefore, it is imperative that the account be opened in the name of a company, foundation or possibly a trust rather than your personal name. Yes, as signatory on the account you will be still known to your bank, but your account will be anonymous to the world, so long as you bank in a country that still does not routinely share information with foreign governments and private investigators.

That way, any payment into and out of the account is not automatically linked to you personally, because the of the company, foundation or trust will now only be on the inter-bank payment instructions and nothing else



the account will be visible. This concept of the “corporate shield” is one of the most important aspects of forming a foreign company, even if you do not plan to conduct any business other than banking and investments. The company (or foundation) becomes a separate legal entity with its own life and rights under law. It is the whole basis behind the asset protection features of a foreign company formed in a country, like Panama, with corporate laws favourable to the ordinary person who merely wishes to shield their assets from predators. Read the Panama Corporation section for more details of an example.

We have had some potential clients assume they could not form a company because they were not planning on operating any type of business. Anyone can form a company, for any purpose, whether it be for a business or personal use. Additionally, for personal purposes (rather than business) a foundation is an increasingly popular tool, especially when coupled with a company as its shareholder. (A trust can also be formed for personal purposes and can even be specially structured for business, however, we do not usually advise the designing of a trust in this way). Please see our offshore banking section for more specific information on opening bank accounts, including different types of accounts, best countries and paperwork requirements.

Professional Signatory Account Management

This is an option for those that do not want to be a signatory on a corporate, foundation or trust account but prefer to use a professional such as a lawyer or accountant to act in a fiduciary capacity with respect to the account. The reason for this is that some countries (especially the U.S.) require quite extensive reporting of any accounts with which one has signatory control over and the penalties for non-reporting, which until recently were rarely enforced, are now quite fearsome and are being enforced more aggressively in the wake of the UBS case. For many to go ahead and report them defeats the whole reason for going offshore but they don't want to take the risk of non-compliance.

This is all about keeping an “arms length” from assets while still giving you the ability to make decisions on their deployment. One of our lawyers from our firm agrees to act as signatory and your wishes for them are followed. Visit our professional management page for more information.

Bank Account linked vs. Stored Value (“Pre-Paid”) Debit Cards

Debit cards have become a very popular way to access offshore funds. Having a debit card linked to your account can be a great convenience, but can be dangerous since your privacy can be compromised because the card can be sourced back to your bank account to which it is linked. Also, if the card is stolen, the account could be potentially drained depending on how alert the bank's security department is.

A much better option is to use non-linked “pre-paid” debit cards that can be conveniently funded from your bank account for a small fee, but cannot be linked in any way to the bank account itself because the two are completely different and maintained by different banks. These cards are so called stored value cards that, in effect, act as a personal numbered account that can also receive funds from third parties, as well as funds from your own account(s). Once the card is loaded with funds they can only be spent by withdrawing from any ATM or wherever a credit card can be used, such as at a store or online.

Also these cards have the advantage of not having your name on the card, either imprinted on the front or magnetically encoded on the back so no paper trail is left behind when you use them at physical retail establishments. If the card is stolen only the funds actually on the card are at risk rather than your entire bank account. Additionally, the daily cash withdrawal limits are usually several times higher on these cards than on a

bank account linked card. Visit our Sovereign Gold Card site for more information.

Offshore Investing

The concept of an online discount brokerage with low transaction fees is unheard of in privacy and tax haven countries. Expect to pay at least double what you are used to paying in transaction fees domestically. However, the brokerage firms with whom we assist clients in opening up accounts have all the latest online trading platforms available. Just about anything you can do with your domestic brokerage account you can do with your offshore account, but more importantly, if you structure things properly, you will have absolute privacy and will be able to compound your profits free of taxes. Those advantages for most people are well worth paying the higher transaction fees.

It is important to remember that, when opening a non-bank brokerage account, they will require funds to only be remitted in (or sent out by them to you) from a personal account under your name or a bank account under the same company/foundation/trust name. Since you will not want to use a personal account, as a general rule, to send or receive funds from the brokerage account, a bank account operated by the same entity will be mandatory. Some offshore banks offer their own in-house brokerage accounts. Except for a few notable exceptions, these are inferior in service, fees and online trading options to the dedicated non-bank brokerage firms.

If you are a U.S. person, you will find that there are many investments that are closed to you, because many companies chose not to go through the SEC registration regulatory hassle. Since they are only available through an offshore brokerage account, a corporation- or foundation-owned brokerage accounts in a jurisdiction like Panama is the ideal answer. You will have access to a wide variety of investments that cannot be sold in the U.S. For example, many of the highest performing mutual funds, mostly known as unit trusts, are not available to U.S. investors; however, when you invest through an offshore brokerage account owned by an offshore corporation, foundation or trust, they are.



Offshore Banking

Tax-Deferred Investing



Have Questions? We Can Help.

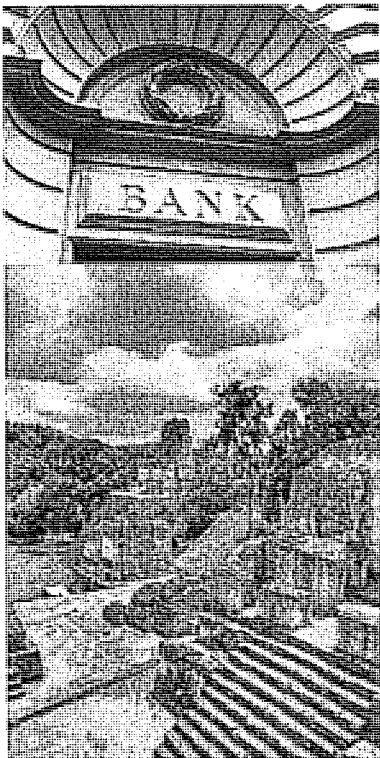
Simply contact us via Skype, LIVE CHAT (at right), through our contact form, or just call us (numbers at top).

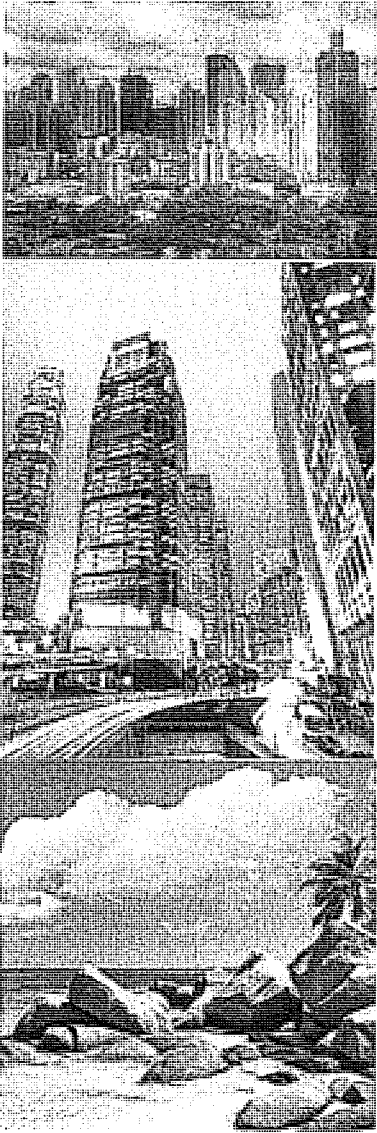
Navigating the myriad of options for structuring your international or offshore business can be simply overwhelming.

We encourage you to get in touch with us for a FREE, no obligation, absolutely confidential, personal consultation.

Sovereign Management professionals are ready to help guide you in setting up an offshore company structure that specifically meets your needs.

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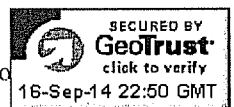
Offshore E-Commerce Solutions

E-commerce can provide you with a good opportunity to set up an internationally based business. Such a business can be operated at arms length from your own home (high tax) jurisdiction or from anywhere in the world. Depending on what is being sold, an e-commerce business is the ultimate portable venture.

To take advantage of the e-commerce opportunity for tax optimization purposes, you need to set up an offshore corporation that you neither own nor control. This then can be your platform for an international business with great tax benefits.

A few of the basic ingredients would therefore include:

- An a "non-controlled" IBC and a bank account in a tax haven country.
- Web hosting in a country other than your own.
- Credit card merchant account - outside your home country - and preferably directly with a bank also



tax haven country.

To make this arrangement even more secure, you should also ensure that whatever product or service is being provided is also based in, or distributed from, an "offshore" location. Consequently, there is no literal business activity taking place on your home territory. Even better, you can employ people offshore. What you want to achieve is a genuinely international business, one outside your own tax jurisdiction.

The corporate structure (IBC) forms the basis for this strategy as it provides you with the legal framework for doing business. The web-hosting location adds another layer of protection and enhances your international location. The third element of the strategy is your merchant account, by which you are authorised to debit people's Visa / Mastercard (and others).

Getting a merchant account in your home country should not be difficult, but that is not the best option. You need a merchant solution that is outside your jurisdiction. Why? Because the proceeds of all sales should bypass your own country's banking system. Remember, this is an "international" business you're setting up, so you need an international payment solution.

To activate your international merchant account, you need the services of a bank or clearinghouse. The latter is a third party service that will allow you to bill using their merchant status, although many e-commerce business will qualify for their own bank-direct merchant account where the billing will be in their name. As you would expect, this type of service costs more than one in your country of residence.

Most domestic merchant accounts will require a 2.5%-3% discount rate which is the percentage they take of your turnover. However, with an offshore merchant account the discount rate is higher. You can expect to pay anywhere from 4% to 12%, dependant on the average ticket size. The higher rates would be for the riskier businesses.

Additionally, the clearinghouse or payment gateway processor will require you to put up a security deposit in order to protect itself and the bank from any fraudulent use. This is usually collected in the form of a "rolling reserve," which means they retain usually 10% of your sales revenue for a period of six months. Thereafter, your funds are released on a pro-rata basis.

Your sales proceeds (less discount and reserve) will be wired to your offshore corporate account or, if are fortunate enough to hold a bank direct account then, the deposits will be made directly into your regular bank account which you will also have with that bank. If you are selling information services - then it's even easier, as you can have the actual information located offshore as well.

What that means is that you have no trading base in your home country. You have no operations, no stock, and no transactions - nothing. You can also contract with third party fulfillment companies anywhere in the world to ship your product / service, and many will provide you with credit card payment options as well. Drop shipping is also a very commonly used option since you will have no inventory costs to consider, although many merchant credit card processors may require you to ship from your own stock.

That leaves just one thing...

What about the money you make and how do you get it back onshore without tax liability?

The clandestine way, of course, is to use a non-associated offshore card to draw funds from an ATM, but this is neither a long-term solution nor one we would recommend, especially if you need to show some income to justify your lifestyle.

The easiest solution is to treat this e-commerce business as a secondary income stream and build up an offshore nest egg. However, if this were indeed your primary income, then you would need to repatriate funds at some stage. This "drawn" income would be taxable in your home country (and you'd need to have proper paperwork to justify this income) - leaving undistributed profits to accumulate offshore.

For instance, let's say that you are selling a magazine. The company publishing this magazine would be the IBC and all the accompanying business arrangements already discussed would be in place. You may be contracted as the editor of this magazine - and therefore receive remuneration accordingly. That income would be taxable in your home country - but would not represent the full profit picture of the company as a whole. The balance of your profit would be retained offshore.

Implementing a Turnkey Offshore eCommerce Business

Sovereign Management & Legal can assist you in all the steps to set up an e-commerce business based virtually or physically in Panama. We would always recommend a direct bank merchant processing relationship, if possible, and Panama has some banks that specialize in e-commerce merchant accounts. Your credit card transactions are deposited into a regular bank account that is also opened in the same bank.

We also work with several clearinghouse credit card processors that will work with almost any type of business including start-ups with the exception of pornography. They will wire payments into any bank account you designate and they have no problems with "virtual" offshore e-commerce businesses without a physical commercial location. Once your structures have been set up we can assist you with the setting up of a bank account to receive payments from the credit card processor.

If you are ready to start an **international e-commerce business** or are ready to transform an already existing one into an internationally-based one, contact us and let us know your needs..





eCommerce

International Fiduciary Structure

Mail Forwarding Service

Offshore Asset Protection

Offshore Re-invoicing Services

Panama Foundation & Corporation Package

Private Annuity Contracts

Professional Management

Reduce Taxes

Signatory Services

Virtual Office Services



Have Questions?

We Can Help.

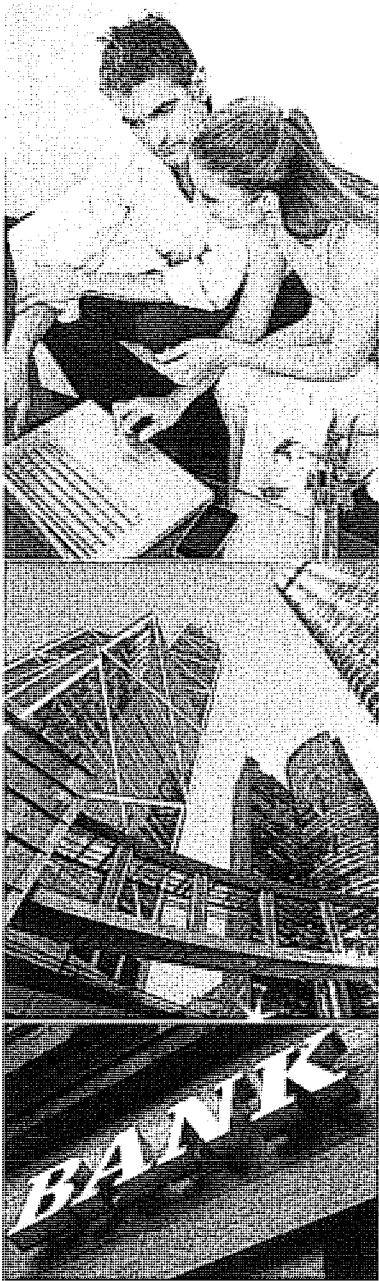
Simply contact us via Skype, LIVE CHAT (at right), through our contact form, or just call us (numbers at top).

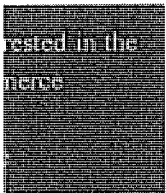
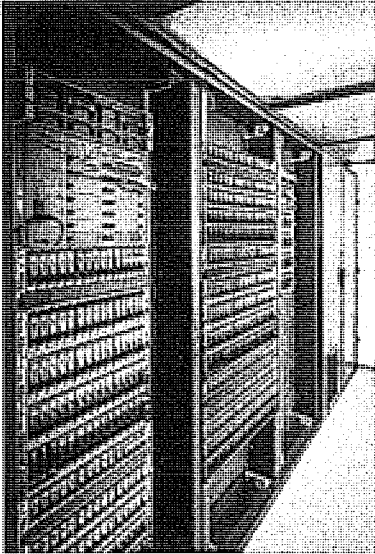
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International prepaid debit MasterCard and VISA cards trusted by thousands of satisfied customers worldwide!



"You've always been extremely responsive to my needs as a customer and I appreciate that."
~ DC of United Kingdom

Save nearly 50%

When you order additional cards for family members, friends, agents or employees.

[Read more](#)



The Sovereign Gold Card Advantage

Offshore anonymous prepaid debit cards from Sovereign are loaded with benefits like privacy, 24/7 online access and more... [Read more](#)



Top Uses of Our Prepaid Debit Card

Use the Sovereign Gold prepaid ATM debit card for a myriad of personal, business and travel applications... [Read more](#)



Apply Now for the Sovereign Gold Card

International anonymous prepaid debit cards. Apply now and choose from USD or EUR Visa or MasterCard options... [Read more](#)

Offshore Prepaid Anonymous Debit Cards - International and Private

Apply now and order up to three prepaid debit cards. Choose from EUR Visa Electron, USD MasterCard and/or EUR MasterCard debit-ATM cards, all with convenient online account access.

Use the Sovereign Gold Card everywhere mastercard and visa debit cards are accepted.

Sovereign Gold Card has been offering prepaid card services since 2005, and through its affiliate, Sovereign Management & Legal, offshore corporate formation and legal management services since 1996.

How the order process works



1

Order the prepaid card(s) of your choice



2

Application is reviewed & approved (no credit check)



3

Card(s) are mailed to you



4

Activate the card(s)



5

Load your card(s)



6

Use as debit card or access cash through ATMs

Example of Our Offshore International Anonymous Prepaid Debit/ATM Cards

Headlines



"Prepaid debit cards continue to grow more popular and offer more services..." New York Times

"Prepaid cards are making inroads [in] a growing number of colleges..." Wall Street Journal

"Google will offer a prepaid debit card..." Reuters

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Sovereign Gold Card provides offshore, international, anonymous prepaid debit cards (imprinted name options also available).
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For more on offshore formation services please go to www.offshore-protection.com

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"You've always been extremely
responsive to my needs as a customer
and I appreciate that."
~ DC of United Kingdom

Offshore Anonymous Prepaid Debit Card

The Advantages of the Sovereign Gold Card

- ✓ No name/anonymous (EUR Visa or USD MasterCard) and Imprinted name (EUR MasterCard) options available
- ✓ Accepted worldwide
- ✓ Prepaid and reloadable (no bank account necessary)
- ✓ No credit check
- ✓ No security deposit
- ✓ Free online customer support
- ✓ Wholesale exchange rates
- ✓ Higher daily cash access compared to normal bank ATM cards
- ✓ Secure Offshore Banks in Belize, St. Vincent and Cyprus
- ✓ Private and confidential
- ✓ 24/7 online access – Real-time reporting
- ✓ Transfer funds to more than one card
- ✓ Receive payments from third parties
- ✓ Offshore bank account options (with convenient internal transfer card loading)
- ✓ Reseller/Merchant plans with special pricing and efficient multi-card funding options
- ✓ Spend only up to the amount deposited onto card
- ✓ Anyone can apply regardless of nationality, credit history or residential status (with exception of OFAC sanctioned countries)
- ✓ Simple standard ID requirements
- ✓ High Limits and Competitive Fees (see Fees & Limits)
- ✓ Multiple card load options - including bank wire, Western Union, MoneyGram and more
- ✓ USD MasterCard expiration date not until 2021, other cards issued for two years from date of activation.



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International prepaid debit MasterCard and VISA cards trusted by thousands of satisfied customers worldwide!



"I am amazed how fast and easy you completed the credit card job."
~ Alex of Canada

About Us

Sovereign Management & Legal, Ltd.

Sovereign Management & Legal has provided offshore services to thousands of clients around the world for the last two decades. We offer Belize- and St. Vincent-issued MasterCards and Cyprus-issued Visa Electron Debit Cards as one of many offshore services offered by our company.

Our prepaid offshore Visa and MasterCards come with these highly sought after options:

- Low fixed rate withdrawal fees
- High daily cash withdrawal limits (up to EUR 3,000)
- High daily spend limit (up to EUR 20,000)
- High daily load limit up to EUR 20,000 or one time load of up to EUR 100,000
- Reasonably priced loading fees (see Fee Schedule)
- International global debit card denominated in either USD or EUR
- Provides international liquidity
- Maximizes privacy without excessive fees or undue restrictions
- Offshore, global, re-loadable no name debit cards
- Pay bills online
- Internet purchases
- Convenient loading options - including Bank wire, Western Union, MoneyGram, Liberty Reserve and internal transfer option from selected banks

Although many competing debit card options, both of the "stored value" or the more conventional account linked variety, share some of the features offered by our cards, it has been simply impossible to find one that met all of the requirements that our clients look for. Now you can!

Looking for an offshore bank account?

We also offer an offshore bank account in Belize or St. Lucia (or an account with a Panama subsidiary of the U.K. and Europe's largest payment provider) which can be used to quickly and inexpensively fund your card via internal transfer. These accounts can be used to store and protect your excess funds that you do not need to have on your card.

Want to form a Panama company and/or foundation along with corporate/trust structures and account opening options in many other countries?

For those that seek additional offshore solutions, such as forming an offshore company, please contact us at Sovereign Management & Legal. Just about all of our offshore formation package solutions include one of these stored value debit cards of your choice included at no extra cost. We also offer offshore company formation solutions in over twenty different jurisdictions other than Panama.

Want to set up an offshore financial company?

Sovereign Management & Legal, Ltd. specializes in setting up banks and other alternative types of financial

institutions, such as credit unions and Offshore Finance Companies. Sovereign can provide a private label card program, similar to the Sovereign Gold Card program, along with internet banking software solutions. For more information visit Offshore Financial Companies.

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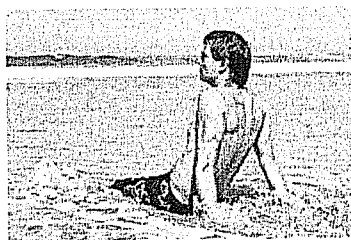
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of satisfied customers worldwide!



"Thank you for a prompt action."
~ BW of Australia

Loading of Prepaid Cards

Loading for the EUR Visa card and EUR MasterCard is done in Euros. Loading for the USD MasterCard is done in USD.

ATM withdrawals are in the currency the ATM machine dispenses.

Loading options: International Bank Transfer - Western Union - Moneygram - Cheque - Internal transfer (from designated banks)

Loading/Transfer Options	Loading Fees EUR Visa	Loading Fees EUR MasterCard	Loading Fees USD MasterCard
International Bank Transfer (Wire, Swift, etc.)	€3.80 + 1.85% (€20 min fee)	€1.75 + 1.85% (€20 min fee)	\$2.00 + 1.85% (\$25 min fee)
<p>Please contact us at support@sovereigngoldcard.com for wire coordinates and instructions.</p> <p>Timeframe to receive wire on card: 2-5 Business Days - depending on how quickly your remitting bank executes the transfer</p> <p>Western Union or MoneyGram</p> <p>You can make a transfer from any Western Union or MoneyGram office in the world by taking cash to the office, or by submitting a wire online at Western Union online or MoneyGram Online.</p> <p>You then notify us of the transfer by sending an email to support@sovereigngoldcard.com with the following information in the below format, along with your card number:</p>			
MTCN#:	€3.80 + 7.5% (€75 min fee)	€1.75 + 7.5% (€20 min fee)	\$2.00 + 7.5% (\$100 min fee)
RECEIVER:			
SENDER:			
SENDER LOCATION:			
AMOUNT:			

Funds will be credited to your card within 5 business days depending on the time of the day - major holidays excepted.

Cheque

Only cheques or money orders drawn on U.S. banks are accepted.

No third party endorsed cheques will be accepted.

Cheques drawn on U.S. banks regardless of whether they are non-negotiable cashier cheques or regular business/personal cheques take at least 30 days or more to clear through banks in Belize.

Make cheques payable to Sovereign Management & Legal S.A. with your card number on the memo line. (No third party checks can be accepted.)

Send by courier (Fedex, DHL or UPS) to:

€3.80 + 4%	€1.75 + 4%	\$2.00 + 4%
(€50 min fee)	(€20 min fee)	(\$75 min fee)

Sovereign Management & Legal,
PTY 5063,
2250 NW 114th Ave, Unit 1P,
Miami, FL 33172-3652,
USA

Phone +1-305-517-7570,

Fax: 305-723-7703

Alternatively, send by postal mail to:

P.O. Box 025724, PTY 6063,
Miami, FL 33102-5724, USA

Internal Transfer

You can save wire transfer fees and open an account in one of our account options that we offer which will allow you to make transfers by internal transfer. Once the account is open you will be provided with our internal transfer instructions that will allow card loads to be made without incurring the extra expense of a wire transfer.

€3.80 + 1.85%	€1.75 + 1.85%	\$2.00 + 1.85%
(€20 min fee)	(€20 min fee)	(\$20 min fee)

Timeframe to receive your loading 1 - 2 Business Days

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of satisfied customers worldwide!



"A big thank you for your patience!!
Everything works!"
~ DM of France



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Belize



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[cardsupportunit - chat](#)

- Go to Skype to setup your own free
SSL encrypted instant messenger
chat and computer-to-computer
phone service with enhanced voice
technology.



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support@sovereigngoldcard.com
sgcard@hushmail.com

[Click here for the PGP Public Key or
visit hushmail to setup your free web-
based 2048-bit encrypted email
account.](#)

First Name:

Last Name:

Email Address:

Phone:

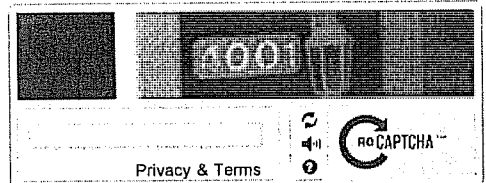
Do not call: ☐

City:

State / Province:

Country:

Message:



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of customers
worldwide!

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Sydney: +61 (0)2 8006 9350
Fax: +1 305 675 3265

Note: If calling from North America or many Caribbean locations it is necessary to dial 011 prior to the country code. For most other countries it is 00.



Addresses

Sovereign Management & Legal, Ltd.

#1 Mapp Street,
Belize City,
Belize

Sovereign Management & Legal Limited

63 Hoi Yuen Rd., Ste 606,
Kwun Tong,
Hong Kong



Skype

[cardsupportunit - chat](#)

- Go to [Skype](#) to setup your own free SSL encrypted instant messenger chat and computer-to-computer phone service with enhanced voice technology.



Emails

info@sovereigngoldcard.com
sms@hush.com

Click [here](#) for the PGP Public Key or visit [hushmail](#) to setup your free web-based 2048-bit encrypted email account.

Secure Contact Form



*(denotes required field)

First Name: *

Last Name: *

E-Mail Address: *

Phone

☐ Do not call

City

State / Province

Country

Message:

CAPTCHA Code: *



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Sovereign Gold Card is a service of [Sovereign Management & Legal](#)
 - A multi-jurisdictional offshore services provider -

For more on offshore formation services please go to www.offshore-protection.com



EXHIBIT 20



SOVEREIGN
MANAGEMENT & LEGAL, LTD.

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Skype CALL | CHAT



Call Us Monday-Friday 12:00-22:00 GMT



+1 305 517 7570 |



+44(0)20 3287 6560 |



+852 8170 0120 |



+61 (0)2 8006 9300

LIVE CHAT

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Please be aware that we are NOT hiring, currently! All "help wanted" ads circulating are fraudulent!



Want to know about our ordering process? [Click here.](#)

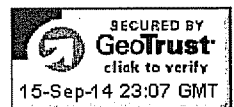
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SECURE CONTACT FORM



First Name

*



Last Name

*

Email

*

Phone

Preferred method of contact

Email

Let us know your specific needs in more detail

*

Submit

YOUR ADDRESS

Address


City

State/Province




Postal/Zip Code

Country


*

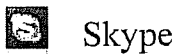


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Please click on the  refresh button above until a readable captcha appears.



CALL | CHAT


Sovereign99


Visit Skype to setup a free account.





Phone

Monday-Friday, 12:00 to 22:00 GMT

 +1 305 517 7570

 +44 (0)20 3287 6560

 +852 8170 0120

 +61 (0)2 8006 9350

Fax +1 305 675 3265



Email

office@offshore-protection.com

SMS@hush.com

Visit hushmail to setup a free encrypted email account.



Addresses

Please contact us to set up a meeting at our Panama law offices and for the most appropriate postal/courier addresses.



PANAMA

Sovereign Management & Legal

Apdo 0819-10660

Panama City, Panama



BELIZE

Sovereign Management & Legal

#1 Mapp Street,

Belize City, Belize



HONG KONG

Sovereign Management & Legal

63 Hoi Yuen Rd., Ste 606,

Kwun Tong, Hong Kong

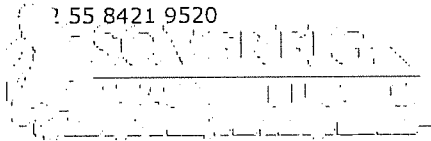
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Blog



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General Ordering Procedures

1. Send us a request using our contact form, email or skype, or if during our normal business hours of 9 to 5 p.m. (GMT-5) you can contact us by phone or our web chat. Tell us what you are interested in ordering and let us know if you have any questions.
2. We will respond with any answers and provide you with an appropriate secure online form to complete.
3. We will then send you an invoice for payment along with the appropriate payment instructions based on your payment choice and ask you to confirm payment and provide us with a copy of your passport. If paying by credit card there will be an authorization form to complete, sign and fax back.

We accept the following payment methods:

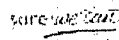
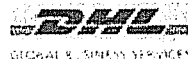
- Wire Transfer
- Western Union
- Moneybookers
- Moneygram
- International Money Order / USD Ordinary / Cashier's Cheque

Our banks take 4 weeks to clear all cheques and money orders regardless of whether they are certified or not.

- Visa or Mastercard (add 5% to cover our bank fees)
 - i. Special Terms & Conditions for Credit Card Transactions
 - ii. Privacy Policy



4. Once we have confirmed your payment we will start the formation process and send you by email any account opening forms (if applicable) that you may need to complete and sign depending on the nature of your order. In most cases additional due diligence documents will be needed to be gathered depending on the type of account being opened. These and the completed and executed documents will need to be sent by you to the appropriate office address that you will be instructed to use for this purpose. PLEASE ONLY USE PRIVATE COURIER SERVICE for this.
5. When the formation(s) process(es) has/have been completed we will notify you by email and ask you to re-confirm your shipping address and your preferred courier delivery method (if any). We can ship by any of the following:



6. Company documents are shipped directly or you can instruct us to hold the original documents in our office for security purposes and we can send you scanned copies of everything.
7. Upon receipt of any account paperwork from you, we will complete any remaining parts on our end as needed and provide whatever additional certified formation documents that may be required to finalize the account opening package and make it ready to be forwarded over to whatever institution that is going to be opening the account.

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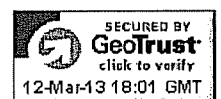


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Sovereign Gold Cards
International prepaid debit MasterCard
and VISA cards trusted by thousands
of satisfied customers worldwide!



"You've always been extremely
responsive to my needs as a customer
and I appreciate that."
~ DC of United Kingdom

Fees and Limits

Card Comparison Chart

Fees	EUR Visa	EUR MasterCard	USD MasterCard	USD Disposable Visa Gift Card w/IBAN
One-time card fee excluding courier delivery	€115.00	€115.00	\$145	\$89
Each additional card shipped in same courier package	€60.00	€60.00	\$75	\$69
Courier Fee - to ship your card(s)	€50	€50	\$100 anywhere in the world	\$100
ATM Withdrawal - Worldwide	€3.80	€3.80	\$3.00	\$2.50
POS (Point Of Sale) - Worldwide	€1.50	€0.85	\$1.10	\$1.25
Monthly Maintenance & Internet Access	€3.80	€2.50	\$4.95	NONE
ATM/POS Decline	€1.00	€0.85	\$1.00	\$1.25 / 0.20
One time initial activation fee (or deactivation if card lost)	€3.80	€3.00	\$4.50	NONE
Card load by wire transfer or internal transfer from our available bank or alternative account options	€3.80 + 1.85% (€20 min)	€1.75 + 1.85% (€20 min)	\$2.00 + 1.85% (\$25 min)	NONE if using direct IBAN attached to card
Card load via Cheque (Drawn on U.S. banks only)	€3.80 + 4% (€50 min)	€1.75 + 4% (€50 min)	\$2.00 + 4% (\$75 min)	\$2.00 + 4% (\$75 min)
Card load via Western Union or MoneyGram	€3.80 + 7.5% (€75 min)	€1.75 + 5% (€75 min *)	\$2.00 + 7.5% (\$100 min *)	\$2.00 + 7.5% (\$100 min *)
Replacement Cards	€60.00 (+ shipping)	€60.00 (+ shipping)	\$75.00 (+ shipping)	Same as with new order as above (+ shipping)
Annual fee	None	None	None	None

Limits	EUR Visa	EUR MasterCard	USD MasterCard	USD Disposable Visa Gift Card w/IBAN
No. of cards permitted per cardholder	1	1	1	No Limit
Annual Loading limits	€120,000	None	\$240,000	N/A - \$3,000 cumulative total per

				card
Monthly/daily loading limits	None	€25,000/day	\$25,000/month, \$2,000/day	Cumulative up to \$3,000
Maximum card balance	€100,000	€25,000	\$10,000	\$3,000
Minimum card balance	€20	€20	\$20	N/A
Minimum initial load for card activation	€100	€100	\$100	N/A
Maximum daily ATM withdrawal / POS spending limit	€3000 ATM/POS	€1,500 ATM €25,000 POS	\$1500 ATM/POS	\$200 per day ATM \$1,300 per transaction POS/WEB

Application Process	EUR Visa	EUR MasterCard	USD MasterCard	USD Disposable Visa Gift Card w/IBAN
Forms	Fill out online. A hard copy must also be printed, and sent to the bank along with certified ID copies.	Online – docs via email	Online – docs via email	Online – docs via email
Card delivery timeframe based on courier shipping	2-3 weeks	1 week	1 week	Under 1 week
ID requirements	1. Passport 2. Original or certified true copy of utility bill or bank statement or local authority tax bill - for address verification Certification must be done by EEA based lawyer or notary public only Hard copies must be sent directly to the card issuing bank along with their one page signed application	1. Passport 2. Copy of utility bill or bank statement or local authority tax bill - for address verification. English translation required for non-English utility bills. Emailed scans of ID documents will suffice	1. Passport 2. Copy of utility bill or bank statement or local authority tax bill - for address verification. English translation required for non-English utility bills. Emailed scans of ID documents will suffice	1. Passport 2. Driver licence or other government ID with address or copy of utility bill or bank statement or local authority tax bill - for address verification. English translation required for non- English utility bills. Emailed scans of ID documents will suffice This information is kept under strict confidentiality by Sovereign Gold Card ONLY and is not received by the issuing bank.

Card Details	EUR Visa	EUR MasterCard	USD MasterCard	USD Disposable Visa Gift Card w/IBAN
Name on Card	No	Yes	No	No

Card expiration date	Two years from date of card issuance	Two years from date of card issuance	August 2021	May 2017. Card expires once \$3,300 has been loaded and spent.
Card Type	Chip & Pin w/Mag Stripe	Mag Stripe only	Mag Stripe only	Mag Stripe only

Please Note:

EUR Visa/Mastercard fees are in EUR

USD MasterCard fees are in USD

USD Visa disposable gift card fees are in USD. Each card has its own individualized IBAN which is directly attached to the card so only fee to load will be your bank's wire fee. Chip & PIN version for GBP and EUR currencies available soon!

* Multiple Western Union payments can be aggregated and when picked up at the same time will only incur the 7.5% fee rather than the €75 or \$100 minimum fee for each payment.

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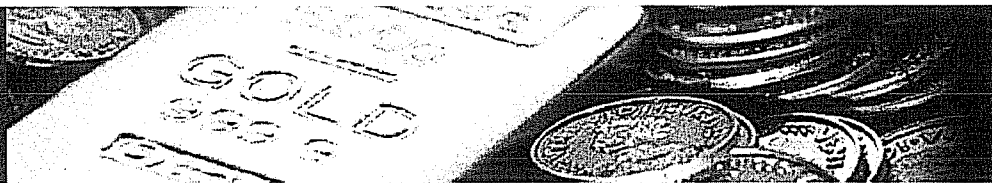
Sovereign Gold Card provides offshore, international, anonymous prepaid debit cards (imprinted name options also available)
Sovereign Gold Card is a service of Sovereign Management & Legal, a multi-jurisdictional offshore services provider

For more on offshore formation services please go to www.offshore-protection.com

EXHIBIT 23



**SOVEREIGN
GOLD CARD**
GLOBAL | PRIVATE | SECURE



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Sovereign Gold Cards
International prepaid debit MasterCard
and VISA cards trusted by thousands
of satisfied customers worldwide!



"I am amazed how fast and easy you
completed the credit card job."
~ Alex of Canada

Offshore Bank Accounts

What Are Offshore Bank Accounts?

Offshore Bank Accounts give you the protection of keeping some of your savings outside of the country where you live in a jurisdiction such as Belize or St. Lucia which still value and protect privacy. They also allow you the ability of loading your prepaid card directly from the bank account options that we offer in Belize or St. Lucia which only requires a cheap and quick internal transfer.

A common characteristic is that bank privacy is more strictly observed with domestic types of accounts and domestic court judgments are not recognized and cannot be enforced. This is why they are essential for asset protection purposes and if you live in countries that have currency controls now or could have in the future.

Why Have One?

1. Don't have to send international wires from a domestic bank to load your card - just do an internal transfer
2. Receive payments that will exceed the card's load limit
3. Make payments for those who do not have one of our debit cards
4. A safe place to keep surplus funds
5. Earn higher untaxed interest rates that are available on offshore deposits
6. Maintain funds in a stronger or more stable currency
7. Debit card can be loaded directly from the account via internal transfer
8. For receiving business related payments from clients and customers
9. Avoid currency controls

With the financial turbulence currently being experienced in many parts of the world it is only prudent to keep some of your funds offshore in a safe financial institution not at risk to any of the potential meltdown scenarios.

Two Types of Offshore Bank Accounts: Personal and Corporate

1. Personal Account in Belize, St. Lucia or Panama

A. Belize or St. Lucia Personal Account:

- A personal offshore account in Belize or St. Lucia along with our USD Belize issued Mastercard or EUR Visa all inclusive for \$595 / €495
- Minimum opening deposit for the bank account:
 - \$1000 or equivalent in another currency plus:
 - \$100 minimum load for the card to activate it
 - Account currency options include USD, GBP, EUR CAD and CHF

B. Panama domiciled "virtual" account (held with subsidiary of U.K's largest payment processor)::

- Use like a bank account for easy funding via internal transfer of one or more cards as well as for



receipt of business payments and payment of invoices

- Account opening with our Mastercard or Visa for just \$395 or €330
 - available in USD, GBP, EUR and CHF
 - Receive or make ACH payments in local currency in 40 countries
 - Make low cost international SWIFT wire payments
 - Convenient major bank wire coordinates for receipt of payments in over 100 countries

2. Corporate Account in Belize or St. Lucia (includes Panama, Belize or Nevis Company)

- Company accounts offer anonymity features because every wire transfer in or payment out will not have your personal name on the wire document.
- If this is an option you want, we recommend one of our special anonymous corporate or foundation packages as an alternative:



- a. Belize IBC or Nevis LLC + Belize Account + USD Mastercard
 - for \$1675 or €1399 and \$75 or €63 Fedex shipping
- b. Panama anonymous bearer share company or foundation with nominee directors and power of attorney issued to signatory/manager + Belize account and Panama brokerage account + USD Mastercard and/or EUR Visa Electron
 - for \$1875 or €1579 and \$75 or €63 Fedex shipping

All our incorporation packages are complete and come with apostilles, and in the case of option b, fully certified translations and nominee resignation letters. Turnaround for corporate setup is one week from receipt of payment and an additional two weeks for the bank account.

Confused?

We know it can get complicated. Shoot us an email, or call us!

If you would like more information about these packages or about Belize, Nevis or Panama in general as well as many other offshore options please visit ~ Sovereign Management & Legal, Ltd.

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Sovereign Gold Card is a service of Sovereign Management & Legal, a multi-jurisdictional offshore services provider

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