

**FILED**

**SEP 03 2008**

U. S. DISTRICT COURT  
E. DISTRICT OF MO.

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	
v.	)	
	)	
GARY STEPHEN KAPLAN,	)	
a/k/a "Greg Champion,"	)	
a/k/a "G,"	)	
a/k/a "*",	)	
DAVID CARRUTHERS,	)	
LORI BETH (KAPLAN) MULTZ,	)	
a/k/a "Beth Wilson,"	)	
NEIL SCOTT KAPLAN,	)	No. S4-4:06CR00337 CEJ (MLM)
a/k/a "Scott Kaye,"	)	
NORMAN STEINBERG,	)	
a/k/a "Tom Miller,"	)	
a/k/a "David Norman,"	)	
GREGARY JAMES HAGGARD,	)	
a/k/a "Peter Wilson,"	)	
TIMOTHY BROWN,	)	
a/k/a "Matt Brown,"	)	
PENELOPE ANN TUCKER,	)	
a/k/a "Penny Tucker,"	)	
a/k/a "Granny,"	)	
	)	
Defendants.	)	
_____	)	

**SECOND SUPERSEDING INDICTMENT**

**COUNT 1: RICO CONSPIRACY**

The Grand Jury charges that:

**A. INTRODUCTION**

1. At all times relevant to this indictment, unlicensed and unregulated sports wagering

was illegal in all 50 of the United States, and interstate transportation of wagering paraphernalia, operating an illegal gambling business, and a person engaged in the business of betting or wagering using interstate and foreign wire communication facilities to transmit wagers and wagering information violated the laws of the United States, including Title 18, United States Code, §§ 1953(a), 1955, and 1084(a).

**B. BETONSPORTS ORGANIZATION**

2. Beginning in approximately 1989, and continuing until in or about July, 2006, defendants GARY KAPLAN, NEIL KAPLAN, LORI KAPLAN MULTZ, DAVID CARRUTHERS, GREGARY JAMES HAGGARD, NORMAN STEINBERG, TIM BROWN, and PENELOPE ANN TUCKER, and others known and unknown to this Grand Jury, constituted an “enterprise,” hereinafter referred to as the “BETONSPORTS ORGANIZATION,” as defined by Title 18, United States Code, §1961(4), that is, a group of individuals associated in fact. The BETONSPORTS ORGANIZATION constituted an ongoing organization whose leaders, members and associates functioned as a continuing unit for the common purpose of achieving the objectives of the BETONSPORTS ORGANIZATION.

3. The BETONSPORTS ORGANIZATION was a criminal organization which existed to promote and carry on illegal activities throughout the United States, including the Eastern District of Missouri, and which was comprised of, at various times, the defendants herein and others, known and unknown to this Grand Jury.

4. The BETONSPORTS ORGANIZATION was engaged in, and its activities affected, interstate and foreign commerce.

5. The BETONSPORTS ORGANIZATION began its growth in approximately 1989 and by July, 2006, it was one of the largest illegal sports wagering businesses in the world.

a. The BETONSPORTS ORGANIZATION started as a small, illegal, telephone credit-type sports bookmaking business in the New York City, New York area. In 1993, founder GARY KAPLAN was arrested in New York City, New York on bookmaking charges, and, as a result, he moved his operations to Southern Florida. In Florida, the BETONSPORTS ORGANIZATION illegally accepted wagers from New York and Florida customers via toll-free telephone lines.

b. In approximately 1995, the BETONSPORTS ORGANIZATION moved its sports bookmaking operations to the Island of Aruba, Netherlands, Antilles, but continued to focus on the New York and Florida illegal sports wagering markets.

c. In approximately 1997, the BETONSPORTS ORGANIZATION moved its illegal sports bookmaking operations from Aruba to Antigua. In Antigua, the BETONSPORTS ORGANIZATION began using the business name, "North American Sports Association" (NASA), and began using both toll-free telephone lines and the Internet to communicate with its U.S. customers. Financial operations were also established in St. Johns, Antigua. The BETONSPORTS ORGANIZATION also transitioned from credit wagering, in which wagers were taken on credit, to post-up wagering, in which wagers were made from funds already on account with the relevant sportsbook.

d. In approximately 1998, GARY KAPLAN expanded the illegal sports wagering operations of the BETONSPORTS ORGANIZATION and moved its base of operations to San Jose, Costa Rica. In Costa Rica, the NASA name was generally abandoned in favor of "BETonSPORTS," with its web addresses being "www.BETonSPORTS.com" and "www.nasasport.com." The financial and banking base of the BETONSPORTS

ORGANIZATION remained in St. Johns, Antigua. The BETONSPORTS ORGANIZATION also diversified its operations by offering a variety of brand-name sportsbooks. By 2004, the BETONSPORTS ORGANIZATION's principal base of operations was in Costa Rica, where it employed approximately 1,700 people. A Dominican Republic office served as a back-up call center. During the year ended January 31, 2004, the BETONSPORTS ORGANIZATION had 1.2 million registered customers, accepted 11.5 million sports bets in the total amount of \$1.241 billion. Of that figure approximately 98% came from the United States and 73% were taken over the Internet. The primary focus of the BETONSPORTS ORGANIZATION was American football, which accounted for 42% of the gross value of sports bets, and basketball and baseball, which accounted for an additional 34% and 19%, respectively. The BETONSPORTS ORGANIZATION also supplemented its income with casino gaming to hold the attention of its sports customers and fee income from leasing its excess office space, communications infrastructure and telephone lines.

e. One set of brand-name sportsbooks, collectively known as the "Millennium Group" (hereinafter "Millennium"), was jointly owned, directly and indirectly prior to July, 2004, by GARY KAPLAN and NORMAN STEINBERG. Millennium acquired and controlled the following sportsbooks with the following website addresses: Millennium Sports, "www.betmill.com" and "www.millsports.com"; Infinity Sports, "www.betoninternet.com"; Gibraltar Sports, "www.bettherock.com"; and Wagermall, "www.wager-mall.com." Wagermall was a website that offered links to sportsbooks operated by the BETONSPORTS ORGANIZATION.

f. In addition to the Millennium Group, GARY KAPLAN and the BETONSPORTS ORGANIZATION acquired, developed and controlled other telephone and

Internet sportsbooks, including Jaguar Sports International, “www.jagsportsbet.com” and “www.jagbet.com;” MVP Sports, “www.mvpbets.com;” RockIsland Sports, “www.rockislandsports.com;” Bettors Trust, “www.bettorstrust.com;” Sports on the Internet, “www.BetonSports.co.uk;” and BetaBet, “www.betabet.com.” BOS(Antigua), Ltd. also controlled subsidiaries which held the BETONSPORTS ORGANIZATION’s domain names and performed staffing functions.

g. Each of the above sportsbooks, controlled directly and indirectly by the BETONSPORTS ORGANIZATION, marketed a separate and unique style or feature to the sports wagering it offered to customers.

h. Prior to July, 2004, GARY KAPLAN and other members of the BETONSPORTS ORGANIZATION profited from the operations of the BETONSPORTS ORGANIZATION. GARY KAPLAN caused a portion of said profits to be placed in foreign banks, investment accounts and trusts for the benefit of himself, LORI KAPLAN, NEIL KAPLAN and other members of the BETONSPORTS ORGANIZATION.

i. Also prior to July, 2004, Boulder Overseas Corporation (hereinafter “Boulder”), owned and held the assets of the BETONSPORTS ORGANIZATION. All of the bearer shares of Boulder were held by GARY KAPLAN prior to the Spring of 2004. In anticipation of a public offering of approximately 39,000,000 shares of BETonSPORTS, PLC stock, GARY KAPLAN transferred his Boulder bearer shares to a trust based in the Isle of Jersey. A public offering of the stock of BETonSPORTS, PLC, in which the shares were listed on the AIM, a market operated by the London Stock Exchange, occurred in July, 2004. To effectuate the public placement of said shares, in July, 2004, a complex transaction occurred in which BETonSPORTS, PLC purchased the assets of the BETONSPORTS ORGANIZATION from

GARY KAPLAN and NORMAN STEINBERG, through entities owned and controlled by GARY KAPLAN and NORMAN STEINBERG, in exchange for shares in BETonSPORTS, PLC and cash. The value on July 8, 2004, of the BETonSPORTS, PLC shares received for the benefit of GARY KAPLAN as part of the public offering was approximately \$137,304,589, and the value of the shares and cash received for the benefit of NORMAN STEINBERG was approximately \$25,000,000. In addition, the CEO of the BETONSPORTS ORGANIZATION, DAVID CARRUTHERS, received BETonSPORTS, PLC stock in July, 2004, worth approximately \$3,006,492.

j. In connection with said public offering, the BETONSPORTS ORGANIZATION caused to be prepared and issued a prospectus which contained acknowledgments, in the section titled "Risk Factors," that the operations of the BETONSPORTS ORGANIZATION were illegal under United States federal and state laws:

In general, persons and organisations engaged in the business of sports betting in the US via the telephone or internet are in violation of existing US federal laws, including (but not limited to) the 1961 Interstate Wireless Act (commonly known as the "Federal Wire Act"). In addition, most US states also prohibit telephone and internet sports betting. . . .

In an attempt to circumvent the laws of the US, a number of sportsbooks have established their operations in jurisdictions outside the US where their sportsbook activities are licensed. The US courts have previously held that existing US laws do apply to sportsbooks and online casinos which are licensed abroad and operated outside the US but which take bets that originate in the US. In 2000 a US citizen who operated an online sportsbook based and licensed in Antigua and who had returned to the US was convicted under the Federal Wire Act and sentenced to 21 months imprisonment.

k. On or about July 19, 2004, as part of the public placement agreement, GARY KAPLAN caused the sale of 19,516,003 shares of BETonSPORTS, PLC stock. GARY



KAPLAN caused the proceeds of said sale, which had a value of approximately \$48,288,111, to be transferred through a series of transactions and entities, to bank and investment accounts in Switzerland and the Isle of Jersey.

l. Following said public offering, GARY KAPLAN was retained by BETonSPORTS, PLC as a consultant for \$150,000 per year, plus insurance benefits for his family, for at least one year to provide marketing and business development services. DAVID CARRUTHERS continued to serve as CEO and a Director of BETonSPORTS, PLC and a subsidiary for a combined salary of \$225,000 per year plus benefits.

m. In the period after said public offering, the BETONSPORTS ORGANIZATION opened new sportsbooks in Guatemala and Mexico in December, 2004 and March, 2005, respectively. In May, 2005, BETonSPORTS, PLC acquired an Asian-facing sportsbook, "Easybets," which brought in 100,000 additional customers.

n. In July, 2005, GARY KAPLAN caused a sale of 23,000,000 shares of BETonSPORTS, PLC stock, the net proceeds of which sale had a value of \$49,149,562. GARY KAPLAN caused said proceeds to transferred to bank and investment accounts in Switzerland and the Isle of Jersey. Thereafter, GARY KAPLAN retained control, directly and indirectly of approximately 15% of BETonSPORTS, PLC stock.

o. The BETONSPORTS ORGANIZATION effectively ceased operations on July 17, 2006.

### **C. PURPOSES OF THE BETONSPORTS ORGANIZATION**

6. The purposes of the BETONSPORTS ORGANIZATION included, but were not limited to:

- a. establishing, developing, controlling and maintaining telephone and Internet-based post-up sports wagering businesses targeting the United States;
- b. establishing, developing, controlling and maintaining systems to obtain funds from United States customers;
- c. maximizing the profit realized from its telephone and Internet-based post-up sports wagering businesses;
- d. dominating the United States market for sports wagering;
- e. maximizing, primarily through multi-media advertising in the United States, the volume of United States sports wagering customers both opening and using sports wagering accounts;
- f. developing its sports wagering businesses to the extent that ownership of the BETONSPORTS ORGANIZATION could be publicly offered for sale on the AIM, a market operated by the London Stock Exchange;
- g. increasing the personal wealth and assets of the leaders, members and associates of the BETONSPORTS ORGANIZATION through the distribution of profits generated by the BETONSPORTS ORGANIZATION; and
- h. shielding the leaders, members and associates of the BETONSPORTS ORGANIZATION and their ill-gotten profits from the reach of United States law enforcement.

**D. DEFENDANTS AND ROLES**

7. GARY STEPHEN KAPLAN, a/k/a “Greg Champion”, “G” and “\*” (hereinafter “GARY KAPLAN”), is and at all relevant times was a United States citizen. GARY KAPLAN was the founder, developer, manager and leader of the BETONSPORTS ORGANIZATION until



July, 2004. Following, the public offering for sale of the stock of BETonSPORTS, PLC in July, 2004, GARY KAPLAN's role in the BETONSPORTS ORGANIZATION was as a consultant to BETonSPORTS, PLC.

8. DAVID CARRUTHERS is and at all relevant times was a citizen of the United Kingdom. DAVID CARRUTHERS was hired by GARY KAPLAN in approximately June, 2000, to work for and manage the BETONSPORTS ORGANIZATION as Chief Executive Officer. He also developed the BETONSPORTS ORGANIZATION to the extent that it could be publicly offered for sale on the AIM, a market operated by the London Stock Exchange. In July, 2004, DAVID CARRUTHERS began serving as the Chief Executive Officer and a Director of BETonSPORTS, PLC.

9. NORMAN STEINBERG, a/k/a "Tom Miller" and a/k/a "David Norman", is and at all relevant times was a United States citizen. NORMAN STEINBERG was the primary operator, and part-owner with GARY KAPLAN, of the Millennium Group of sportsbooks.

10. LORI BETH (KAPLAN) MULTZ, a/k/a "Beth Wilson" (hereinafter "LORI KAPLAN"), is and at all relevant times was a United States citizen and the sister of Gary Kaplan. Among other roles, LORI KAPLAN facilitated the growth of the BETONSPORTS ORGANIZATION through placing advertising for the BETONSPORTS ORGANIZATION.

11. NEIL SCOTT KAPLAN, a/k/a "Scott", a/k/a "Scott Kaye" (hereinafter "NEIL KAPLAN"), is and at all relevant times was a United States citizen and the brother of GARY KAPLAN. NEIL KAPLAN started working for GARY KAPLAN in his early sportsbook. His role in the BETONSPORTS ORGANIZATION was, among others, to purchase goods and services, including media advertising, man and supervise call center operations and manage the

Millennium Group for a period of time.

12. GREGARY JAMES HAGGARD, a/k/a “Peter Wilson” (hereinafter “GREGARY HAGGARD”), is and at all relevant times was a citizen of the United States. GREGARY HAGGARD served as a Marketing Director for the BETONSPORTS ORGANIZATION for a period of time.

13. PENELOPE ANN TUCKER, a/k/a “Penny Tucker”, a/k/a “Granny” (hereinafter “PENELOPE TUCKER”), is and at all relevant times was a citizen of the United Kingdom residing in the State of Florida and Costa Rica. PENELOPE TUCKER was responsible for, among other things, establishing and maintaining payment processing systems for the BETONSPORTS ORGANIZATION. PENELOPE TUCKER also served as an administrative assistant to GARY KAPLAN and managed his use and concealment of his BETONSPORTS ORGANIZATION proceeds.

14. TIMOTHY BROWN, a/k/a “Matt Brown” (hereinafter “TIMOTHY BROWN”), was a citizen of the United States. TIMOTHY BROWN was the son-in-law of NORMAN STEINBERG and assisted NORMAN STEINBERG in the operation of the Millennium Group of sportsbooks in Costa Rica.

#### **E. THE RICO CONSPIRACY**

15. Between in or about 1989 and continuing to in or about July, 2006, in the Eastern District of Missouri and elsewhere,

GARY STEPHEN KAPLAN,  
a/k/a “Greg Champion,”  
a/k/a “G,”  
a/k/a “\*,”  
DAVID CARRUTHERS,

LORI BETH (KAPLAN) MULTZ,  
a/k/a "Beth Wilson,"  
NEIL SCOTT KAPLAN,  
a/k/a "Scott Kaye,"  
NORMAN STEINBERG,  
a/k/a "Tom Miller,"  
a/k/a "David Norman,"  
GREGARY JAMES HAGGARD,  
a/k/a "Peter Wilson,"  
TIMOTHY BROWN,  
a/k/a "Matt Brown,"  
PENELOPE ANN TUCKER,  
a/k/a "Penny Tucker,"  
a/k/a "Granny,"

defendants herein, being persons employed by and associated with the BETONSPORTS ORGANIZATION, an enterprise which engaged in and the activities of which affected interstate and foreign commerce, knowingly and intentionally conspired, combined, confederated and agreed with each other and other persons, known and unknown to this Grand Jury, to violate Title 18, United States Code, §1962(c), that is, to conduct and participate, directly and indirectly, in the conduct of the affairs of the BETONSPORTS ORGANIZATION through a pattern of racketeering activity, as defined by Title 18, United States Code, §§1961(1) and (5), consisting of multiple acts involving gambling in violation of statutes in Missouri, [Mo. Rev. Stat. § 572.030]; Florida [Fla. Stat. ch. 849.25]; New York [N.Y. Gen. Oblig. § 5-401 and N.Y. Penal § 225.10]; New Jersey [N.J. Stat. Ann. § 2C:37-2]; Washington [Wash. Rev. Code §§ 946.220 to 221; and 946.180]; and Illinois [720 Ill. Comp. Stat. 5/28-1.1], and multiple acts indictable under:

- (a) 18 U.S.C. § 1084 (Using a Wire Communication Facility to Transmit Wagering Information in Interstate and Foreign Commerce)
- (b) 18 U.S.C. § 1341 (Mail Fraud)
- (c) 18 U.S.C. § 1343 (Wire Fraud)
- (d) 18 U.S.C. § 1952 (Interstate Travel in Aid of a Racketeering Enterprise)

(e) 18 U.S.C. § 1953 (Interstate Transportation of Gambling Paraphernalia)

(f) 18 U.S.C. § 1955 (Operation of an Illegal Gambling Business)

(g) 18 U.S.C. §1956(a)(2)(A) (Money Laundering)

16. Each defendant agreed that a conspirator would commit at least two (2) acts of racketeering activity in the conduct of the affairs of the BETONSPORTS ORGANIZATION.

**G. MANNER AND MEANS OF THE RICO CONSPIRACY**

The manner and means through which the defendants, and others associated with the BETONSPORTS ORGANIZATION, conducted and participated in the affairs of the BETONSPORTS ORGANIZATION, included the following acts, schemes and objectives:

17. The allegations of Paragraphs 2 and 3 of Count 2 of this Second Superseding Indictment are realleged and incorporated herein by reference.

18. The BETONSPORTS ORGANIZATION established and controlled toll-free telephone services and Internet web sites, and caused these services to accept sports wagers from gamblers in the United States.

19. The BETONSPORTS ORGANIZATION obtained and controlled a large number of domain names and brand names associated with its sports wagering business.

20. The BETONSPORTS ORGANIZATION moved its operations to locations outside of the United States, in part because the BETONSPORTS ORGANIZATION wanted to place the criminal organization, its members and proceeds away from the territorial reach of United States law enforcement.

21. The BETONSPORTS ORGANIZATION and its various toll-free telephone lines and

web sites were used on a daily basis to accept wagers on sporting events, including American professional and college football, basketball, baseball and hockey.

22. To facilitate the operation of its telecommunications and Internet network, the BETONSPORTS ORGANIZATION purchased equipment and leased the services of United States-based firms to supply router, server and satellite connectivity to BETONSPORTS ORGANIZATION call centers in Costa Rica and the Dominican Republic.

23. The BETONSPORTS ORGANIZATION established payment processing systems, including the use of third-party credit card processing companies, domestic banks, disguised transaction codes for credit card charges, Western Union wire transfers to nominees in countries outside the United States, and foreign banks in countries such as Korea and Panama, to receive funds in Costa Rica and Antigua from wagering operations.

24. The BETONSPORTS ORGANIZATION expended large sums using proceeds from its illegal operations on various advertising media in the United States to advertise and promote the services of its various companies and websites. Said advertising included, but was not limited to, print media, television ads, radio ads, Internet ads, direct mail marketing and mobile promotions campaigns.

25. In 2004, the BETONSPORTS ORGANIZATION had more than 2,000 inbound telephone lines and computer servers capable of handling 5,600 simultaneous web transactions.

26. The BETONSPORTS ORGANIZATION provided "line" information to its customers to facilitate their ability to place sporting wagers.

27. The BETONSPORTS ORGANIZATION used proceeds from its illegal operations to invest heavily in its information technology infrastructure to provide its customers with secure, uninterrupted access to sports wagering opportunities.

28. Members of the BETONSPORTS ORGANIZATION traveled between countries outside the United States to the United States to facilitate and manage its businesses.

29. The BETONSPORTS ORGANIZATION used corporate and other business entities to hold assets of the various sportsbooks and other components of the illegal operations.

30. Some defendants and other members of the BETONSPORTS ORGANIZATION began using alias names, following the indictment and conviction, in February, 2000, of Jay Cohen in federal court in the Southern District of New York, an Internet sports bookmaker with operations in Antigua under the name "World Sports Exchange."

31. The BETONSPORTS ORGANIZATION promoted its websites by placing motor homes and recreational vehicles at the sites of major sporting events throughout the United States in order to register customers and to accept wagers for the BETONSPORTS ORGANIZATION.

32. The BETONSPORTS ORGANIZATION used the U.S. and private mail services and wire transfer services to send money from BETONSPORTS ORGANIZATION components outside the United States to various recipients in the United States, and from the United States to recipients outside the United States, and between locations in the United States, in order to promote the BETONSPORTS ORGANIZATION's illegal telephone and Internet gambling operations.

33. Members of the BETONSPORTS ORGANIZATION traveled from foreign countries to the United States, and within the United States, to persuade government representatives and others to legalize Internet and telephone gambling on sporting events. During these travels throughout the United States, members of the BETONSPORTS ORGANIZATION repeatedly acknowledged that the type of Internet and telephone gambling services provided by the



BETONSPORTS ORGANIZATION was illegal in the United States.

34. The BETONSPORTS ORGANIZATION instructed U.S. customers to send money or cause money to be sent to individuals outside the United States for the benefit of the BETONSPORTS ORGANIZATION for the purpose of opening one or more sports gambling accounts. The BETONSPORTS ORGANIZATION required the funds to be sent to a named individual rather than directly to a website or company controlled by the BETONSPORTS ORGANIZATION, because banks, credit card companies and payment processing agencies located in the United States refused to participate in transactions involving illegal telephone and Internet-based sports wagering.

35. The BETONSPORTS ORGANIZATION used wire and radio communications in interstate and foreign commerce to illegally accept and record millions of sports wagers from United States citizens, and to transmit information facilitating the acceptance of said illegal wagers by BETONSPORTS ORGANIZATION web sites and telephone services.

In violation of Title 18, United States Code, § 1962(d).

## **COUNT 2: MAIL FRAUD**

The Grand Jury further charges that:

### **A. INTRODUCTION**

1. The allegations of Count I of this Second Superseding Indictment are realleged and incorporated herein by reference.

### **B. THE SCHEME AND ARTIFICE TO DEFRAUD**

2. Beginning in or about 1989 and continuing until in or about July, 2006, in the Eastern District of Missouri and elsewhere,

GARY STEPHEN KAPLAN,  
a/k/a "Greg Champion,"  
a/k/a "G,"  
a/k/a "\*",  
DAVID CARRUTHERS,  
LORI BETH (KAPLAN) MULTZ,  
a/k/a "Beth Wilson,"  
NEIL SCOTT KAPLAN,  
a/k/a "Scott Kaye,"  
NORMAN STEINBERG,  
a/k/a "Tom Miller,"  
a/k/a "David Norman,"  
GREGARY JAMES HAGGARD,  
a/k/a "Peter Wilson,"  
TIMOTHY BROWN,  
a/k/a "Matt Brown,"  
PENELOPE ANN TUCKER,  
a/k/a "Penny Tucker,"  
a/k/a "Granny,"

defendants herein, together with other persons known and unknown to this Grand Jury, knowingly devised a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent representations and promises, from the targets of its advertising campaigns and customers, which scheme and artifice is more fully described, as follows:

3. It was part of the scheme and artifice to defraud that:

a. members of the BETONSPORTS ORGANIZATION created and disseminated advertising throughout the United States which represented that its Internet and telephone gambling operations were "legal." These representations were materially deceptive, false and fraudulent in that the members of the BETONSPORTS ORGANIZATION failed to disclose in its advertising directed at United States residents that the United States government and most, if not all, state governments viewed such operations as illegal, as defendants then knew.

Defendants failed to so inform potential and current United States customers, yet in July, 2004,

the BETONSPORTS ORGANIZATION warned potential investors throughout the world that the risks associated with investing in BETonSPORTS, PLC included the facts that: 1) telephone and Internet sports wagering violated United States laws; 2) the United States courts had already applied such laws to sportsbook operations located outside the United States; 3) in 2000 a United States citizen operating a telephone and Internet sportsbook in Antigua had been criminally prosecuted and sent to prison for operating said sportsbook; 4) in 2001 the Attorney General of New Jersey had filed suit to enjoin Internet-based sportsbooks including the BETONSPORTS ORGANIZATION from accepting bets; 5) there was no guarantee that criminal charges would not be brought against the BETONSPORTS ORGANIZATION in the future; 6) the U.S. Department of Justice was actively proceeding against third-parties, such as telephone companies, Internet service providers, Internet search engines, advertisers and banks, providing services to offshore telephone and Internet sportsbooks; and 7) there was a risk that the U.S. Department of Justice would prevail in future litigation regarding enforcement of anti-gambling laws. Defendants also failed to inform U.S. customers, as defendants then well knew, that in April, 2004, the U.S. government seized approximately \$3.2 million from the Discovery Channel, which funds were pre-payment for television advertising of the offshore telephone and Internet-based gambling services of "ParadisePoker.com," because said funds were to be used to aid and abet and promote illegal activities.

b. members of the BETONSPORTS ORGANIZATION created and disseminated advertising throughout the United States which represented that its Internet and telephone gambling operations were "licensed." These representations were materially deceptive, false and fraudulent in that the members of BETONSPORTS ORGANIZATION failed to disclose in its

advertising that the BETONSPORTS ORGANIZATION did not have a license to operate legally anywhere in the United States. Defendants failed to so inform potential United States customers, yet in July, 2004, the BETONSPORTS ORGANIZATION advised potential investors throughout the world that the BETONSPORTS ORGANIZATION possessed gaming licenses only in Antigua, the United Kingdom and the Dominican Republic.

c. members of the BETONSPORTS ORGANIZATION represented to potential customers that money transferred by customers to the BETONSPORTS ORGANIZATION on account was safe, secure, and readily available to be withdrawn at anytime. These representations were materially deceptive, false and fraudulent in that the BETONSPORTS ORGANIZATION failed to disclose that the BETONSPORTS ORGANIZATION used said funds to support and expand its operations, including the purchase of Easybets. When the BETONSPORTS ORGANIZATION ceased operations in July, 2006, it could not repay its customers over \$16,000,000 held on account by said customers.

d. the BETONSPORTS ORGANIZATION deceptively and fraudulently concealed the material fact that the multiple web sites and telephone services through which it offered sports wagering were all owned and operated by a single business enterprise, the BETONSPORTS ORGANIZATION.

e. the BETONSPORTS ORGANIZATION used the United States mail system to deliver its materially deceptive, false and fraudulent print advertising in order to cause U.S. bettors to open accounts with the BETONSPORTS ORGANIZATION and to send money to entities controlled by the BETONSPORTS ORGANIZATION.

f. the BETONSPORTS ORGANIZATION used radio and television to deliver its

materially deceptive, false and fraudulent advertising to potential U.S. customers.

**C. OFFENSE CONDUCT**

4. On or about September 3, 2003, in the Eastern District of Missouri and elsewhere,

GARY STEPHEN KAPLAN,  
a/k/a "Greg Champion,"  
a/k/a "G,"  
a/k/a "\*",  
DAVID CARRUTHERS,  
LORI BETH (KAPLAN) MULTZ,  
a/k/a "Beth Wilson,"  
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NORMAN STEINBERG,  
a/k/a "Tom Miller,"  
a/k/a "David Norman,"  
GREGARY JAMES HAGGARD,  
a/k/a "Peter Wilson,"  
TIMOTHY BROWN,  
a/k/a "Matt Brown,"  
PENELOPE ANN TUCKER,  
a/k/a "Penny Tucker,"  
a/k/a "Granny,"

defendants herein, for the purpose of executing and attempting to execute the scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, did knowingly and willfully cause to be delivered by means of the United States Postal Service, from BetOnSports.com, 4915 N.W. 159<sup>th</sup> St., Miami, Florida, 33014, to Leonard Lunt, 12430 Tesson Ferry Road, #123, St. Louis, Missouri, 63128-2702, a mailing bag containing certain brochures, magazines, coupons and flyers advertising illegal sports wagering offered by the BETONSPORTS ORGANIZATION, and containing a cover letter from the "Offshore Gaming Association."

In violation of Title 18, United States Code, § 1341.

**COUNT 3: MAIL FRAUD**

The Grand Jury further charges that:

**A. INTRODUCTION**

1. The allegations of Counts 1 and 2 of this Second Superseding Indictment are realleged and incorporated herein by reference.

**B. OFFENSE CONDUCT**

2. On or about September 4, 2003, in the Eastern District of Missouri and elsewhere,

GARY STEPHEN KAPLAN,  
a/k/a "Greg Champion,"  
a/k/a "G,"  
a/k/a "\*",  
DAVID CARRUTHERS,  
LORI BETH (KAPLAN) MULTZ,  
a/k/a "Beth Wilson,"  
NEIL SCOTT KAPLAN,  
a/k/a "Scott Kaye,"  
NORMAN STEINBERG,  
a/k/a "Tom Miller,"  
a/k/a "David Norman,"  
GREGARY JAMES HAGGARD,  
a/k/a "Peter Wilson,"  
TIMOTHY BROWN,  
a/k/a "Matt Brown,"  
PENELOPE ANN TUCKER,  
a/k/a "Penny Tucker,"  
a/k/a "Granny,"

defendants herein, for the purpose of executing and attempting to execute the scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, did knowingly and willfully cause to be delivered by means of the United States Postal Service, from BetOnSports.com, 4915 N.W. 159<sup>th</sup> St., Miami, Florida, 33014, to Leonard Lunt, 12430 Tesson Ferry Road, #123, St. Louis, Missouri, 63128-



2702, a mailing bag containing certain brochures, magazines, coupons and flyers advertising illegal sports wagering offered by the BETONSPORTS ORGANIZATION, and containing a cover letter from the "International Sportsbook Council."

In violation of Title 18, United States Code, § 1341.

**COUNT 4: MAIL FRAUD**

The Grand Jury further charges that:

**A. INTRODUCTION**

1. The allegations of Counts 1 and 2 of this Second Superseding Indictment are realleged and incorporated herein by reference.

**B. OFFENSE CONDUCT**

2. On or about September 4, 2003, in the Eastern District of Missouri and elsewhere,

GARY STEPHEN KAPLAN,  
a/k/a "Greg Champion,"  
a/k/a "G,"  
a/k/a "\*",  
DAVID CARRUTHERS,  
LORI BETH (KAPLAN) MULTZ,  
a/k/a "Beth Wilson,"  
NEIL SCOTT KAPLAN,  
a/k/a "Scott Kaye,"  
NORMAN STEINBERG,  
a/k/a "Tom Miller,"  
a/k/a "David Norman,"  
GREGARY JAMES HAGGARD,  
a/k/a "Peter Wilson,"  
TIMOTHY BROWN,  
a/k/a "Matt Brown,"  
PENELOPE ANN TUCKER,  
a/k/a "Penny Tucker,"  
a/k/a "Granny,"

defendants herein, for the purpose of executing and attempting to execute the scheme and artifice

to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, did knowingly and willfully cause to be delivered by means of the United States Postal Service, from MVPBets, P.O. Box 4647, Hialeah, FL 33014-0647, to Leonard Lunt, 12430 Tesson Ferry Road, #123, St. Louis, Missouri, 63128-2702, an envelope from "MVPBets.com Sportsbook and Casino," containing a brochure, coupon and a letter advertising illegal sports wagering offered by the BETONSPORTS ORGANIZATION.

In violation of Title 18, United States Code, § 1341.

**COUNT 5: MAIL FRAUD**

The Grand Jury further charges that:

**A. INTRODUCTION**

1. The allegations of Counts 1 and 2 of this Second Superseding Indictment are realleged and incorporated herein by reference.

**B. OFFENSE CONDUCT**

2. On or about February 26, 2004, in the Eastern District of Missouri and elsewhere,

GARY STEPHEN KAPLAN,  
a/k/a "Greg Champion,"  
a/k/a "G,"  
a/k/a "\*",  
DAVID CARRUTHERS,  
LORI BETH (KAPLAN) MULTZ,  
a/k/a "Beth Wilson,"  
NEIL SCOTT KAPLAN,  
a/k/a "Scott Kaye,"  
NORMAN STEINBERG,  
a/k/a "Tom Miller,"  
a/k/a "David Norman,"  
GREGARY JAMES HAGGARD,  
a/k/a "Peter Wilson,"  
TIMOTHY BROWN,

a/k/a "Matt Brown,"  
PENELOPE ANN TUCKER,  
a/k/a "Penny Tucker,"  
a/k/a "Granny,"

defendants herein, for the purpose of executing and attempting to execute the scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, did knowingly and willfully cause to be delivered by means of the United States Postal Service, from BetOnSports.com, 4915 N.W. 159<sup>th</sup> St., Miami, Florida, 33014, to Leonard Lunt, 12430 Tesson Ferry Road, #123, St. Louis, Missouri, 63128-2702, a post card advertising illegal sports wagering offered by the BETONSPORTS ORGANIZATION and bearing the phrase "March Madness."

In violation of Title 18, United States Code, § 1341.

**COUNTS 6 to 15: USE OF WIRE COMMUNICATION TO TRANSMIT BETS**

The Grand Jury further charges that:

**A. INTRODUCTION**

1. The allegations of Count 1 of this Second Superseding Indictment are realleged and incorporated herein by reference.

**B. OFFENSE CONDUCT**

2. On or about the following dates, in the Eastern District of Missouri and elsewhere, the following defendants, together with other persons, known and unknown to this Grand Jury, being engaged in the business of betting and wagering, did knowingly use and cause the use of a wire communication facility, that is either a telephone line or the Internet, for the transmission in interstate and foreign commerce, between the State of Missouri and the country of Costa Rica, of

bets and wagers on sporting events and contests, information assisting in the placing of bets and wagers on sporting events and contests, wire communications which entitled the recipient to receive money and credit as a result of bets and wagers, and information assisting in the placing of bets and wagers.

In violation of Title 18, United States Code, §§ 1084 and 2.

Count	Date	Recipient	Defendant(s)	Communication
6	Jan 31, 2002	Millennium Sportsbook	GARY KAPLAN & NORMAN STEINBERG	Call to 800-824-1637 transmitted instructions on opening a wagering account and instructions to send money to "Rod Jones" in Ecuador.
7	Feb. 6, 2002	Gibraltar Sportsbook	GARY KAPLAN & NORMAN STEINBERG	Call to 800-582-1381 transmitted instructions on opening a wagering account and instructions to send money to "Thomas Navas" in Ecuador.
8	Feb. 12, 2002	NASA International	GARY KAPLAN	Call to 888-999-9238 transmitted instructions on opening a
10	Mar. 8, 2002	Millennium	GARY KAPLAN & NORMAN STEINBERG	Call to 800-824-1637 transmitted instructions to send money to "Kevin Green" in Ecuador.
11	Mar. 12, 2002	Millennium Sportsbook	GARY KAPLAN & NORMAN STEINBERG	Call to 800-593-2915 transmitted instructions to send money to "Paul Rogers" in Ecuador.
12	Mar. 13, 2002	Millennium Sports	GARY KAPLAN & NORMAN STEINBERG	Internet communication to bet.wagermillennium.com confirmed account balance.
13	April 25, 2002	Gibraltar Sports	GARY KAPLAN & NORMAN STEINBERG	Internet communication to bettherock.com transmitted a bet.

14	April 25, 2002	Millennium Sports	GARY KAPLAN & NORMAN STEINBERG	Internet communication to millsports.com transmitted a bet.
15	June 12, 2002	Millennium Sports	GARY KAPLAN & NORMAN STEINBERG	Call to 800-824-1637 requested withdrawal of money from wagering account.

**COUNT 16: Interstate Transportation of Gambling Paraphernalia**

The Grand Jury further charges that:

On or about October 20, 2002, in the Eastern District of Missouri and elsewhere,

GARY STEPHEN KAPLAN,  
a/k/a "Greg Champion,"  
a/k/a "G,"  
a/k/a "\*\*,"

defendant herein, and others, known and unknown to this Grand Jury, knowingly did carry and send and cause to be carried and sent, in interstate commerce, from the State of Florida to the State of Missouri, laptop computers and software, used, and to be used and adapted, devised and designed for use in bookmaking.

In violation of Title 18, United States Code, §§ 1953 and 2.

**COUNT 17: CONSPIRACY**

The Grand Jury further charges that:

1. The allegations of Counts 1 through 16 are realleged and incorporated herein by reference.

2. Between in or about 1989 and continuing until in or about July, 2006, in the Eastern District of Missouri and elsewhere:

GARY STEPHEN KAPLAN,  
a/k/a "Greg Champion,"  
a/k/a "G,"  
a/k/a "\*",  
DAVID CARRUTHERS,  
LORI BETH (KAPLAN) MULTZ,  
a/k/a "Beth Wilson,"  
NEIL SCOTT KAPLAN,  
a/k/a "Scott Kaye,"  
NORMAN STEINBERG,  
a/k/a "Tom Miller,"  
a/k/a "David Norman,"  
GREGARY JAMES HAGGARD,  
a/k/a "Peter Wilson,"  
TIMOTHY BROWN,  
a/k/a "Matt Brown,"  
PENELOPE ANN TUCKER,  
a/k/a "Penny Tucker,"  
a/k/a "Granny,"

defendants herein, did knowingly combine, conspire, confederate and agree with each other, and with other persons, known and unknown to this Grand Jury, to commit certain offenses against the United States, that is:

a. being engaged in the business of betting and wagering, to knowingly use a wire communication facility for the transmission in interstate or foreign commerce of bets and wagers and information assisting in the placing of bets and wagers on sporting events and contests, for the transmission of wire communications which entitle the recipient to receive money and credit as a result of bets and wagers, and for information assisting in the placing of bets and wagers, in violation of Title 18, United States Code, § 1084;

b. to devise a scheme and artifice to defraud and to obtain money and property by means of material false and fraudulent pretenses, representations, and promises, and for the purpose of executing the scheme and artifice to defraud, and attempting to do so, use and



cause the use of the United States mails, in violation of Title 18, United States Code, § 1341;

c. to devise a scheme and artifice to defraud and to obtain money and property by means of material false or fraudulent pretenses, representations and promises, and for the purpose of executing the scheme and artifice to defraud, transmit and cause to transmit by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures and sounds, in violation of Title 18, United States Code, § 1343;

d. to travel in interstate and foreign commerce, use the mail and any facility in interstate and foreign commerce, with intent to promote, manage, establish, carry on, and to facilitate the promotion, management, establishment, and carrying on of an unlawful activity, that is, a business enterprise involving gambling, and thereafter perform and attempt to perform an act promoting, managing, establishing, and carrying on, and facilitating the promotion, management, establishment, and carrying on of an unlawful activity, that is, a business enterprise involving gambling, in violation of Title 18, United States Code, § 1952;

e. to carry and send in interstate commerce records, paraphernalia, and other devices, used, to be used, and adapted, devised, and designed for use in bookmaking, in violation of Title 18, United States Code, § 1953;

f. to conduct, finance, manage, supervise, direct, and own all or part of an illegal gambling business, that is, a gambling business which violates the law of a State in which it is conducted, involves five or more persons who conduct, finance, manage, supervise, direct, and own all or part of such business, and has been or remains in substantially continuous operation for a period in excess of thirty days, or has a gross revenue of \$2,000 in any single day, in violation of Title 18, United States Code, § 1955;

g. to transport, transmit, and transfer, and attempt to transport, transmit, and transfer monetary instruments and funds from a place in the United States to or through a place outside the United States or to a place in the United States from or through a place outside the United States with the intent to promote the carrying on of certain specified unlawful activity, that is, being engaged in the business of betting and wagering, using a wire communication facility to transmit wagering information in interstate and foreign commerce, mail fraud, wire fraud, interstate travel in aid of a racketeering enterprise, interstate transportation of gambling paraphernalia, and operation of an illegal gambling business, in violation of Title 18, United States Code, § 1956(a)(2)(A).

Overt Acts

In furtherance of the conspiracy, and to accomplish the objects of the conspiracy, the defendants and their co-conspirators, committed, among others, the following acts within the Eastern District of Missouri and elsewhere:

(1) On or about September 3, 2003, DME Global Marketing & Fulfillment, Inc. sent a mailing bag containing certain brochures, magazines, coupons and flyers advertising illegal sports wagering offered by the BETONSPORTS ORGANIZATION, and containing a cover letter from the "Offshore Gaming Association" by means of the United States Postal Service, from BetOnSports.com, 4915 N.W. 159<sup>th</sup> St., Miami, Florida, 33014, to Leonard Lunt, 12430 Tesson Ferry Road, #123, St. Louis, Missouri, 63128-2702.

(2) On or about September 4, 2003, DME Global Marketing & Fulfillment, Inc. sent a mailing bag containing certain brochures, magazines, coupons and flyers advertising illegal sports wagering offered by the BETONSPORTS ORGANIZATION, and containing a cover

letter from the "International Sportsbook Council" by means of the United States Postal Service, from BetOnSports.com, 4915 N.W. 159<sup>th</sup> St., Miami, Florida, 33014, to Leonard Lunt, 12430 Tesson Ferry Road, #123, St. Louis, Missouri, 63128-2702.

(3) On or about September 4, 2003, DME Global Marketing & Fulfillment, Inc. sent an envelope containing a brochure, coupon and a letter advertising illegal sports wagering offered by the BETONSPORTS ORGANIZATION by means of the United States Postal Service from MVPBets, P.O. Box 4647, Hialeah, FL 33014-0647, to Leonard Lunt, 12430 Tesson Ferry Road, #123, St. Louis, Missouri, 63128-2702.

(4) On or about February 26, 2004, DME Global Marketing & Fulfillment, Inc. sent a post card advertising illegal sports wagering offered by the BETONSPORTS ORGANIZATION and bearing the phrase "March Madness" by means of the United States Postal Service, from BetOnSports.com, 4915 N.W. 159<sup>th</sup> St., Miami, Florida, 33014, to Leonard Lunt, 12430 Tesson Ferry Road, #123, St. Louis, Missouri, 63128-2702.

In violation of Title 18, United States Code, § 371.

**COUNT 18: RICO FORFEITURE**

1. The allegations contained in Count 1 of this Indictment are hereby repeated, realleged, and incorporated by reference herein as though fully set forth at length for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, § 1963. Pursuant to Rule 32.2, Fed. R. Crim. P., notice is hereby given to the defendants that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, § 1963, in the event of any defendant's conviction under Count 1 of this Indictment.

2. The defendants,

GARY STEPHEN KAPLAN,  
a/k/a "Greg Champion,"  
a/k/a "G,"  
a/k/a "\*",  
DAVID CARRUTHERS,  
LORI BETH (KAPLAN) MULTZ,  
a/k/a "Beth Wilson,"  
NEIL SCOTT KAPLAN,  
a/k/a "Scott Kaye,"  
NORMAN STEINBERG,  
a/k/a "Tom Miller,"  
a/k/a "David Norman,"  
GREGARY JAMES HAGGARD,  
a/k/a "Peter Wilson,"  
TIMOTHY BROWN,  
a/k/a "Matt Brown,"  
PENELOPE ANN TUCKER,  
a/k/a "Penny Tucker,"  
a/k/a "Granny,"

a. have acquired and maintained interests in violation of Title 18, United States Code, § 1962, which interests are subject to forfeiture to the United States pursuant to Title 18, United States Code, § 1963(a)(1);

b. have an interest in, security of, claims against, and property and contractual rights which afford a source of influence over, the BETONSPORTS ORGANIZATION named and described herein which the defendants established, operated, controlled, conducted, and participated in the conduct of, in violation of Title 18, United States Code, § 1962, which interests, securities, claims, and rights are subject to forfeiture to the United States pursuant to Title 18, United States Code, § 1963(a)(2);

c. have property constituting and derived from proceeds obtained, directly and

indirectly, from racketeering activity, in violation of Title 18, United States Code, § 1962, which property is subject to forfeiture to the United States pursuant to Title 18, United States Code, § 1963(a)(3).

3. The interests of the defendants subject to forfeiture to the United States pursuant to Title 18, United States Code, §§1963(a)(1), (a)(2), and (a)(3), include but are not limited to:

a. \$180,000,000, including, but not limited to, all right, title and interest of each convicted defendant in the following:

- 1) Boulder Overseas Corporation;
- 2) Ravenna Investments, Inc.;
- 3) Ashworth, Ltd.;
- 4) Great Plains Anstaldt;
- 5) Planak Holdings PTE, Ltd.;
- 6) Wybourne Corporation;
- 7) Esquisse Ventures;
- 8) Lansford Industries;
- 9) Iguana Azul S.A.;
- 10) The Bird Purpose Trust;
- 11) The Bird Charitable Trust;
- 12) Massada Holdings Group, Ltd.;
- 13) Devonia Developments, Inc.;
- 14) Anker Holdings, Inc.;
- 15) Basel One Limited;

- 16) Basel Two Limited;
- 17) InterDesign Group, S.A.;
- 18) HK Unique Design, S.A.;
- 19) Bulma Internacional, S.A.;
- 20) Ronfeld Enterprises, S.A.;
- 21) Newfield Properties, S.A.;
- 22) Luicar, S.A.;
- 23) Account No. xxx5608 in the name Leecroft Investments Group, Ltd., at the Pictet and Cie Bank in Geneva, Switzerland, having an approximate value of \$19,099,161;
- 24) Account No. xx8753, at Kleinwort, Benson Bank which contains proceeds of the BETONSPORTS ORGANIZATION;
- 25) Account No. xx0347 in the name Leecroft Investments Group, Ltd, at the Banque Privee Edmond de Rothschild S.A. (hereinafter "Rothschild Bank) in Geneva, Switzerland, having an approximate value of \$54,094,845;
- 26) a 2000 Bell 407 Helicopter having an approximate value of \$1,675,000;
- 27) Account No. xx1.771 in the name Dalina Investments, Ltd., at the Rothschild Bank in Geneva, Switzerland, having an approximate value of \$4,133,844;
- 28) Account No. xx1.770 in the name Leema Corporation at the



Rothschild Bank in Geneva, Switzerland, having an approximate value of \$2,417,468;

29) Account No. xx0282 in the name Boulder Overseas Corporation at the Rothschild Bank in Geneva, Switzerland, having an approximate value of \$8,545,541;

30) Seabreeze Beach House at Palo Seco, Parrita, Costa Rica;

31) Krikes Farm, at San Ramon de Alajuela, Costa Rica.

b. all right, title and interest in BETonSPORTS, PLC and its subsidiaries and affiliates, forfeitable as each convicted defendant's interest in the BETONSPORTS ORGANIZATION.

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

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

the court shall order the forfeiture of any other property of the defendants up to the value of any property set forth above.

5. The above-named defendants, and each of them, are jointly and severally liable for the forfeiture obligations as alleged above.

All pursuant to Title 18, United States Code, § 1963.

**COUNT 19: NON-RICO FORFEITURE**

1. The allegations of Counts 1-17 in this Indictment are hereby repeated and re-alleged as if fully set forth herein for the purpose of alleging forfeiture to the United States pursuant to the provisions of Title 18, United States Code, § 981(a)(1)(C) and Title 28, United States Code, 2461(c).

2. The property, real and personal, of

GARY STEPHEN KAPLAN,  
a/k/a "Greg Champion,"  
a/k/a "G,"  
a/k/a "\*",  
DAVID CARRUTHERS,  
LORI BETH (KAPLAN) MULTZ,  
a/k/a "Beth Wilson,"  
NEIL SCOTT KAPLAN,  
a/k/a "Scott Kaye,"  
NORMAN STEINBERG,  
a/k/a "Tom Miller,"  
a/k/a "David Norman,"  
GREGARY JAMES HAGGARD,  
a/k/a "Peter Wilson,"  
TIMOTHY BROWN,  
a/k/a "Matt Brown,"  
PENELOPE ANN TUCKER,  
a/k/a "Penny Tucker,"  
a/k/a "Granny,"

defendants herein, which constitutes or is derived from proceeds traceable to a violation of the laws set out in Counts 2-17 of this Indictment, shall be forfeited to the United States.

3. Subject to forfeiture is \$180,000,000 in United States Currency in that such sum in the aggregate is property constituting, or derived from any proceeds the defendants obtained directly or indirectly as a result of the offenses alleged in Counts 2-17, including, but not limited to, all

right, title and interest of each convicted defendant in the following:

- 1) Boulder Overseas Corporation;
- 2) Ravenna Investments, Inc.;
- 3) Ashworth, Ltd.;
- 4) Great Plains Anstaldt;
- 5) Planak Holdings PTE, Ltd.;
- 6) Wybourne Corporation;
- 7) Esquisse Ventures;
- 8) Lansford Industries;
- 9) Iguana Azul S.A.;
- 10) The Bird Purpose Trust;
- 11) The Bird Charitable Trust;
- 12) Massada Holdings Group, Ltd.;
- 13) Devonia Developments, Inc.;
- 14) Anker Holdings, Inc.;
- 15) Basel One Limited;
- 16) Basel Two Limited;
- 17) InterDesign Group, S.A.;
- 18) HK Unique Design, S.A.;
- 19) Bulma Internacional, S.A.;
- 20) Ronfeld Enterprises, S.A.;
- 21) Newfield Properties, S.A.;

- 22) Luicar, S.A.;
- 23) Account No. xxx5608 in the name Leecroft Investments Group, Ltd., at the Pictet and Cie Bank in Geneva, Switzerland, having an approximate value of \$19,099,161;
- 24) Account No. xx8753, at Kleinwort, Benson Bank which contains proceeds of the BETONSPORTS ORGANIZATION;
- 25) Account No. xx0347 in the name Leecroft Investments Group, Ltd, at the Banque Privee Edmond de Rothschild S.A. (hereinafter "Rothschild Bank) in Geneva, Switzerland, having an approximate value of \$54,094,845;
- 26) a 2000 Bell 407 Helicopter having an approximate value of \$1,675,000;
- 27) Account No. xx1.771 in the name Dalina Investments, Ltd., at the Rothschild Bank in Geneva, Switzerland, having an approximate value of \$4,133,844;
- 28) Account No. xx1.770 in the name Leema Corporation at the Rothschild Bank in Geneva, Switzerland, having an approximate value of \$2,417,468;
- 29) Account No. xx0282 in the name Boulder Overseas Corporation at the Rothschild Bank in Geneva, Switzerland, having an approximate value of \$8,545,541;
- 30) Seabreeze Beach House at Palo Seco, Parrita, Costa Rica;

- 31) Krikes Farm, at San Ramon de Alajuela, Costa Rica;
- 32) 21852 Marigot Drive, Boca Raton, Florida 33428 (the residence of NEIL KAPLAN);
- 33) 72 Van Houten Fields, West Nyack, New York 10994-2528 (the residence of LORI KAPLAN); and
- 34) 13426 Shell Beach Court, Delray Beach, Florida 33446 (the residence of Martin and Loretta Kaplan, the parents of GARY KAPLAN);
- 35) BETonSPORTS, PLC and its subsidiaries and affiliates.

4. If any of the property described above, as a result of any act or omission of the defendant,

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred to, sold to, or deposited with a third person;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; and/or
- (e) has been commingled with other property that cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, §853(p), which is incorporated by Title 28, United States Code, §2461(c), to seek forfeiture of any other property of the defendant up to the value of the property described above, or elsewhere, as being subject to forfeiture.

5. Upon conviction of one or more of the offenses alleged in Counts 2-17 of this Second Superseding Indictment, defendant shall forfeit to the United States, pursuant to Title 18, United

States Code, §981(a)(1)(C) and Title 28, United States Code, §2461(c), any property constituting or derived from proceeds obtained directly or indirectly as a result of the said violations.

A TRUE BILL

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FOREPERSON

CATHERINE L. HANAWAY  
UNITED STATES ATTORNEY

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STEVEN E. HOLTSHOUSER #24277  
Assistant United States Attorney

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STEVEN A. MUCHNICK #3905  
Assistant United States Attorney

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JOHN M. BODENHAUSEN #94806  
Assistant United States Attorney