

EXHIBIT B

FILED
CHARLOTTE, N. C.

JAN 29 2007

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

U. S. DISTRICT COURT
W. DIST. OF N. C.

UNITED STATES OF AMERICA)
)
 v.)
)
(4) VERNICE CHAITAN WOLTZ)
_____)

DOCKET NO. 3:06CR74-Britt

PLEA AGREEMENT

NOW COMES the United States of America, by and through Gretchen C.F. Shappert, United States Attorney for the Western District of North Carolina (Matthew T. Martens and Kurt W. Meyers, Assistant United States Attorneys, appearing), and the defendant, Vernice C. Woltz, in person and through counsel, J. Kirk Osborn, Esq., and respectfully inform the Court that they have reached the following agreement:

I. Plea

1. The defendant agrees to enter a voluntary plea of guilty to Count Ten as set forth in the Bill of Indictment, and admits to being in fact guilty as charged in that count. A factual statement summarizing the defendant's conduct is attached hereto as Exhibit 1.

2. If the Court finds the defendant's plea to be voluntarily and knowingly made, and accepts the plea, then this Office will move at the appropriate time to dismiss the remaining counts of the Bill of Indictment as they apply to the defendant. In addition, this Office hereby agrees that it will not prosecute the defendant for offenses fully disclosed as of the date of this Plea Agreement.

3. The defendant agrees that the Court may consider any such dismissed counts and all pertinent information as "relevant conduct," *United States Sentencing Guidelines* [U.S.S.G.] § 1B1.3. The Court may also consider any dismissed count as a "conviction" for purposes of 28 U.S.C. §§ 1918 (costs of prosecutions, including fines and forfeitures) and 1920 (court costs, including fees for interpreters), as well as for purposes of forfeiture and restitution.

II. Sentence

4. The defendant is aware that the statutory maximum sentences for the relevant count is as follows:

Count Ten (obstruction): a \$250,000 fine, no more than ten (10) years imprisonment, or both, and no more than three (3) years supervised release.

5. The defendant understands that supervised release is a term of supervision that runs consecutively to any sentence of incarceration and that if the Court imposes a term of supervised release, the United States Probation Office will supervise her during that term and

will require that she make regular reports and visits to its office. The defendant understands that a violation of the conditions of supervised release may subject her to an additional period of incarceration up to the maximum term of years imposed as supervised release.

6. The defendant is aware that the Court will consider the *United States Sentencing Guidelines* in determining the appropriate sentence, and that the sentence will be without parole. The defendant is further aware that the Court has not yet determined the sentence, that any estimate from any source, including defense counsel, of the likely sentence is a prediction rather than a promise, and that the Court has the final discretion to impose any sentence up to the statutory maximum for each count. The defendant further understands that no recommendations or agreements by the United States are binding upon the Court.

7. With regard to the Sentencing Guidelines, the defendant and the United States, pursuant to Fed.R.Crim.P. 11(c)(1)(B), stipulate and agree to recommend to the Court as follows:

a. The offense level for the subject offense is as follows:

Base Offense Level [U.S.S.G. § 2J1.2(a)]:

14

Specific offense characteristics:

Extensive in scope [USSG § 2J1.2(b)(3)]

+ 2

Adjusted Offense Level:

16

b. Provided that the defendant clearly demonstrates acceptance of responsibility for her criminal conduct by, among other things, acknowledging to the Government, the Probation Office, and the Court the nature and extent of all relevant criminal conduct, the Government will recommend a two-level reduction in offense level pursuant to U.S.S.G. § 3E1.1(a). Provided that the defendant has further assisted authorities in the investigation or prosecution of her own misconduct by timely notifying authorities of her intention to enter a plea of guilty, the Government will move for an additional one-level reduction in offense level pursuant to U.S.S.G. § 3E1.1(b). The United States will determine in its sole discretion whether to move for the additional one-level reduction. However, the defendant understands that any reduction in offense level is ultimately for the Court's determination.

c. The defendant and the United States agree that the appropriate sentence is one within "the applicable guideline range" (U.S.S.G. § 5C1.1) and that neither party will seek, suggest, or otherwise argue in favor of a variance or departure from that range.

d. No other Chapter 2, 3, 4, or 5 enhancements or reductions apply.

8. The defendant and the Government agree, in accordance with U.S.S.G. § 1B1.8, that any information the defendant provides pursuant to this agreement, that was previously unknown to the Government, shall not be used against her to increase her sentence. However, such information may be used (a) as proof of the charges to which she shall plead guilty, (b) to determine the amount of restitution due or the amount of tax, interest and penalties due; or (c) in connection with any federal, state, or local prosecution of other persons or for investigative leads. Notwithstanding the above, the defendant understands and agrees that if she should fail to fulfill completely each and every one of her obligations under this Plea Agreement, then the Government will be free from its obligations under the Plea Agreement and the defendant shall be fully subject to criminal prosecution as if this Plea Agreement had never existed. In any such prosecution, the prosecuting authorities, whether federal, state, or local, shall be free to use against her, without limitation, any and all information, in whatever form, that she has provided pursuant to this Plea Agreement or otherwise. The defendant shall not assert any claim under the United States Constitution, any statute, Fed.R.Crim.P. 11(f), Fed.R.Evid. 410, or any other provision of law, to attempt to bar such use of the information. The defendant may, however, claim in a court of competent jurisdiction that she has not breached the agreement as a bar to the use of information provided by her.

9. The defendant agrees to pay full restitution, regardless of the resulting loss amount, which restitution will be included in the Court's Order of Judgment. The defendant agrees that such restitution will include all victims directly or indirectly harmed by the defendant's "relevant conduct," including conduct pertaining to any dismissed counts or uncharged conduct, as defined by U.S.S.G. § 1B1.3, regardless of whether such conduct constitutes an "offense" under 18 U.S.C. §§ 3663 or 3663A. The defendant consents to a civil judgment in state or federal court concerning a claim filed by a "victim" as defined in 18 U.S.C. §§ 3663(a)(2) and 3663A(a)(2). The defendant understands that with a Judgment and Commitment Order that requires the payment of restitution, a lien will be filed on her property. Defendant also understands that her obligation to make restitution shall last for twenty years after the entry of the judgment, release from imprisonment, or until her death. 18 U.S.C. § 3613.

For the preparation of her Presentence Report, the defendant agrees to cooperate fully with and make a full disclosure of all current and projected assets and property to the United States Probation Office. If the defendant is ordered to serve a term of supervised release or probation, she agrees to make a full disclosure of her assets and property to the United States Probation Office prior to the termination of her supervised release or probation. If the defendant should fail to make the aforementioned full disclosures, then the United States will be relieved of its obligations under the Plea Agreement, but the defendant will not be allowed to withdraw her guilty plea.

10. The parties agree that the Court shall set the amount of fine and shall consider the Fine Table in U.S.S.G. § 5E1.2 as advisory.

11. If more than \$500.00 in restitution, fines, and/or assessment is owed to the United States government, a lien will be filed. The defendant understands that if a lien is filed against her property, her obligation to pay restitution shall last for twenty years after any imprisonment

ordered or until her death. 18 U.S.C. § 3613.

12. The defendant hereby agrees to pay the total amount required for assessment (\$100) to the Clerk, United States District Court, before 5:00 p.m. on the date of sentencing. The defendant further agrees to participate in the Inmate Financial Responsibility Program to the extent necessary to fulfill all financial obligations due and owing under this agreement and the law.

III. Procedure

13. The defendant agrees that a duly-qualified federal Magistrate Judge may conduct the hearing required by Fed. R. Crim. P. 11.

14. The defendant stipulates that there is a factual basis for the plea of guilty and that the Court may use the offense conduct set out in the Presentence Report, except any facts to which the defendant has objected, to establish a factual basis for the defendant's plea.

IV. Waivers

15. The defendant understands and agrees that if she should fail to specifically perform or to fulfill completely each and every one of her obligations under this Plea Agreement, then the United States will be relieved of its obligations under the agreement, but the defendant will not be allowed to withdraw her guilty plea.

16. The defendant also understands that this Plea Agreement is expressly conditioned on the execution of the Plea Agreement, and the entry and acceptance of a guilty plea pursuant to that agreement, by co-defendant Howell W. Woltz (hereafter, "H. Woltz") in this matter. In addition, as a condition of this Plea Agreement, the Government has agreed to recommend immediately the release of V. Woltz, upon acceptance of her guilty plea, from pre-trial detention, subject to appropriate conditions of release (including reasonable travel authorization). This recommendation is made at the request of H. Woltz. Accordingly, if the defendant subsequently violates the terms of her plea agreement, including any effort to withdraw her guilty plea, then the defendant agrees that the United States will be relieved of its obligations under this Plea Agreement, but defendant H. Woltz will not be allowed to withdraw his guilty plea.

17. The defendant is aware that the law provides certain limited rights to withdraw a plea of guilty. The defendant has discussed these rights with defense counsel and knowingly and expressly waives any right to withdraw the plea once the Magistrate Judge has accepted it.

18. The defendant acknowledges that Federal Rule of Criminal Procedure 11(f) and Federal Rule of Evidence 410 are rules which ordinarily limit the admissibility of statements made by a defendant in the course of plea discussions or plea proceedings if a guilty plea is later withdrawn. The defendant knowingly and voluntarily waives the rights which arise under these Rules. As a result of this waiver, she understands and agrees that any statements which are made in the course of her guilty plea or in connection with her cooperation pursuant to this plea agreement will be admissible against her for any purpose in any criminal or civil proceeding if

her guilty plea is subsequently withdrawn.

19. The defendant understands and agrees that by pleading guilty, she is expressly waiving the following rights:

- a. to be tried by a jury;
- b. to be assisted by an attorney at trial;
- c. to confront and cross-examine witnesses; and,
- d. not to be compelled to incriminate herself.

20. Defendant and defendant's counsel warrant that they have discussed: (1) defendant's rights pursuant to 18 U.S.C. § 3742, 28 U.S.C. § 2255, and similar authorities to contest a conviction and/or sentence through an appeal or post-conviction after entering into a plea agreement; (2) whether or not there are potential issues which might be relevant to an appeal or post-conviction action; and (3) the possible impact of any such issue on the desirability to the defendant of entering into this plea agreement. Defendant, in exchange for the concessions made by the United States in this plea agreement, waives all such rights to contest the conviction and/or the sentence except for: (1) claims of ineffective assistance of counsel; or (2) prosecutorial misconduct. Also, in exchange for the concessions made by the United States, defendant agrees that the United States preserves all its rights and duties with respect to appeal as set forth in 18 U.S.C. § 3742(b), while the defendant waives all rights to appeal or collaterally attack the sentence of conviction with the two exceptions set for above. This agreement does not limit the United States in its comments in or responses to any appellate or post-conviction matters.

21. The defendant waives all rights, whether asserted directly or by a representative, to request or to receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including without limitation any records that may be sought under the Freedom of Information Act, 5 U.S.C. § 552, or the Privacy Act of 1974, 5 U.S.C. § 552a.

22. The defendant stipulates that any sentence that falls within the applicable guideline range as determined by the United States Probation Office and pursuant to any departures from the applicable range as recommended by the government is *per se* reasonable. The defendant waives any right to contest such a sentence on the basis that the Court's imposition of such a sentence was unreasonable or an abuse of its discretion.

23. Should this Plea Agreement be violated by the defendant or the defendant's conviction following her guilty plea pursuant to this agreement be vacated for any reason, then any prosecution that is not time-barred by the applicable statute of limitations on the date of the signing of this agreement (including any counts that the Government has agreed to dismiss at sentencing pursuant to this agreement) may be commenced or reinstated against the defendant, notwithstanding the expiration of the statute of limitation between the signing of this agreement and the commencement or reinstatement of such prosecution. It is the intent of this agreement to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date that this agreement is signed.

24. The defendant waives any and all venue objections, pursuant to Federal Rule of Criminal Procedure 18, the United States Constitution, or otherwise, and expressly consents to the prosecution of this matter in the Western District of North Carolina.

25. The defendant agrees to waive any rights under the Speedy Trial Act and understands and agrees that sentencing may be delayed until the cooperation phase has been completed and title to all assets have fully vested in the United States. This waiver is necessary so that the Court will have the benefit of all relevant information at sentencing.

V. Assistance to Government

26. If requested by the United States (including, but not limited to, the Commodity Futures Trading Commission and the Securities & Exchange Commission), but only if so requested, the defendant agrees to cooperate with the United States, including but not limited to the following:

a. The defendant will provide truthful information about the subject charges and about any other criminal activity within the defendant's knowledge to any government agent or agency that the United States designates.

b. The defendant will testify truthfully in any trial, hearing, or grand jury proceeding, including, but not limited to, testimony against any co-defendants as the United States designates.

c. The defendant hereby waives any attorney-client privilege or work-product protection with regard to attorneys involved in the transactions under investigation. This agreement to waive such privileges and protections shall not apply with regard to the defendant's criminal defense counsel.

d. The defendant will truthfully disclose all monies, negotiable instruments, securities, or other things of value that are proceeds of or have been involved in, or have been used or intended to be used to facilitate a violation of state or federal law. The defendant further agrees to voluntarily forfeit said property to the United States.

e. In the event that the defendant's cooperation includes testifying, the defendant hereby waives payment of any witness fees or expenses to which she may be otherwise entitled pursuant to 28 U.S.C. § 1821.

f. The defendant understands that the United States desires only truthful and accurate information and testimony and, in fact, that knowingly giving false information or testimony can be prosecuted as an additional criminal offense. Further, if the defendant knowingly gives false testimony, the United States will be relieved of its obligations under this Plea Agreement, except that the defendant's plea of guilty and the resulting guilty verdict will stand.

g. The defendant will not violate any federal, state, or local law, or any order of any court, including any conditions of pretrial, pre-sentence, or post-sentence release.

h. Nothing that the defendant discloses pursuant to this Plea Agreement will be used against her in any other criminal proceeding, subject to the following exceptions:

1.) the United States or other jurisdiction may use any and all relevant information regarding crimes of violence;

2.) the United States may use any and all information as necessary in a prosecution for perjury, or in any trial for impeachment or rebuttal;

3.) if the defendant withdraws her plea of guilty, the United States may use any and all disclosures in any subsequent trials or criminal proceedings;

4.) if the defendant violates any of the terms of this Plea Agreement, including the obligation to provide truthful information, then the United States may use any and all disclosures in subsequent trials or criminal proceedings; and,

5.) the United States may make indirect use of any information that the defendant provides, including investigative leads or other witnesses.

i. The defendant's obligation under this section is a continuing one, and will continue after sentencing until all investigations and/or prosecutions to which the defendant's cooperation may be relevant have been completed. This provision is a material condition of this Plea Agreement and of all benefits that accrue to the defendant pursuant to this agreement.

j. In the interests of fulfilling all obligations under this section, the defendant agrees to waive all rights under Chapters 213 and 208 of Title 18 until such time as the United States determines that all relevant investigations and/or prosecutions have been completed.

k. The defendant fully understands that any breach of this agreement, including but not limited to withholding information, misleading the United States or any law enforcement officer, or failing to testify truthfully at any trial, grand jury, or other judicial proceeding, will allow the government, in its sole discretion, to withdraw from its obligations under this Plea Agreement. In such event, the United States will be free to proceed on any properly-filed pending, superseding, or additional charges, including any charges dismissed pursuant to this agreement.

27. When and if the defendant assists the government as described above:

a. For purposes of calculating the appropriate sentence under the *United States Sentencing Guidelines*, the United States, in its sole discretion, will determine whether said assistance has been substantial. The Government has determined that the

assistance provided by the defendant and his wife to date has been substantial. Furthermore, to the extent provided by law, the defendant's substantial assistance to the Government, if any, may be considered in the sentencing of her husband, H. Woltz.

b. Upon a determination that the defendant has rendered substantial assistance, the government may make a motion pursuant to U.S.S.G. § 5K1.1 for imposition of a sentence below the applicable Sentencing Guidelines. The United States may also, within its sole discretion, move the Court pursuant to 18 U.S.C. § 3553(e) to impose a sentence below any applicable statutory mandatory minimum.

The defendant recognizes that the Court cannot depart below the Sentencing Guidelines for substantial assistance [U.S.S.G. § 5K1.1] absent a motion from the United States. The defendant further recognizes that, even if the United States makes a recommendation pursuant to U.S.S.G. § 5K1.1, the Court cannot depart below the statutory minimum unless the United States also includes a specific recommendation pursuant to 18 U.S.C. § 3553(e).

c. Regardless of the nature and extent of any substantial assistance that the defendant renders, the United States will not move for a downward departure if the defendant also knowingly furnishes information that is materially false.

d. Any determination that the defendant has failed to provide substantial assistance or has knowingly provided false information is within the sole discretion of the United States, and the defendant waives all objections and rights of appeal or collateral attack of such a determination.

e. The defendant understands that if the United States makes a motion for downward departure, the motion is not binding on the District Court. The Court will determine in its discretion whether to grant or deny such departure and the extent of the departure.

VI. Forfeiture

28. The defendant agrees to truthfully complete a financial statement form provided by the United States Attorney. The defendant shall date said form and sign it under penalty of perjury, thereby acknowledging that her financial statement fully and completely discloses her financial condition as of the date it is signed. Defendant shall update the financial statement with any material changes to her financial condition. Defendant shall provide her signed and dated financial statement within 30 days of her signature on this Plea Agreement and any updates within seven days of the event changing her financial condition. Defendant understands and agrees that her financial statement will be used for the collection of any fine or restitution ordered by the Court, and the identification of property subject to forfeiture. The parties agree that the defendant's failure to timely and accurately complete and sign a financial statement and any update may, in addition to any other penalty or remedy authorized by law, constitute her failure to accept responsibility under U.S.S.G. § 3E1.1.

29. Attached hereto as Exhibit 2 is a list of the defendant's assets subject to forfeiture. The defendant agrees to the forfeiture of any interest she or any members of her family may have in the items in Exhibit 2. The defendant agrees to take whatever steps are necessary to pass clear title to the United States and to repatriate funds or property held outside the United States, regardless of whether such funds or property are held in the name of the defendant or entities that she controls and regardless of whether such funds or property are held for the benefit of the defendant or others. These steps include, but are not limited to, surrender of title, the signing of a consent decree, a stipulation of facts regarding the transfer and basis for the forfeitures, and signing any other documents necessary to effectuate such transfers. If and when requested to do so by the government, defendant agrees to ask any nominee holder of the property to execute a form waiving all rights to the property and consenting to forfeiture and/or use of the property for restitution. In addition, the defendant agrees to the entry of a preliminary order of forfeiture as to all of her interest in this property.

30. The United States and the defendant enter into this agreement on the basis of the defendant's express representation that she is making a full and complete disclosure of all assets she owns, controls, or in which she has a possessory or beneficial interest. If the United States later discovers that the defendant has not fully disclosed all such assets, the United States, in its sole discretion, may withdraw from its obligations under this Plea Agreement. However, the defendant's guilty plea will stand. Alternatively, the United States may seek the forfeiture of any subsequently-discovered assets, in which case the defendant agrees that any such undisclosed assets are subject to forfeiture under this Plea Agreement just as if they had been properly disclosed and listed herein.

31. This agreement does not bind the Internal Revenue Service or affect its authority to collect taxes. The defendant agrees to take all necessary steps to file promptly any an all federal and state individual and corporate income tax returns not filed for previous tax years and to pay any and all taxes, penalties, and interest due as a result of the filing of such.

32. The defendant agrees to a pre-plea investigation by the United States government for the purpose of assessing the value of each and every asset. The defendant agrees to undergo full debriefing in order to accomplish this end.

VII. Conclusion

33. As a condition of this Plea Agreement, the Government has agreed to recommend the release of the defendant from pre-trial detention upon entry of her guilty plea, subject to appropriate conditions of release.

34. The defendant understands that if she breaches this Plea Agreement, or violates any federal, state or local law, or any order of any court, including any condition of pre-trial or pre-sentence, or post-sentence release, the United States will be relieved of its obligations under this Plea Agreement, but the defendant will not be allowed to withdraw her guilty plea. The United States will be free to proceed on any properly-filed dismissed, pending, superseding, or additional charges.

35. **There are no agreements, representations, or understandings between the parties in this case, other than those explicitly set forth in this Plea Agreement and none will be entered into unless executed in writing and signed by all parties.**

SO AGREED:

GRETCHEN C.F. SHAPPERT UNITED STATES ATTORNEY

Matthew T. Martens
Matthew T. Martens, Assistant United States Attorney

DATED: 1/26/07

Vernice C. Woltz
Vernice C. Woltz, Defendant

DATED: JAN 26, 2007

Acknowledgment of Attorney

I have read each of the pages constituting this plea agreement, reviewed them with my client, and discussed the provisions of this agreement with my client fully. These pages accurately and completely set forth the entire plea agreement.

J. Kirk Osborn
J. Kirk Osborn, Attorney for Defendant

DATED: Jan 26, 2007

EXHIBIT 1

**FACTUAL BASIS FOR THE PLEA
OF VERNICE C. WOLTZ**

This statement is submitted to provide a factual basis for my plea of guilty to the conspiracy charge filed against me:

Relevant People and Entities

1. Sterling Trust Ltd. (hereafter, "Sterling Trust") was an Anguillan corporation that maintained offices in Anguilla, British West Indies.

2. Sterling ACS Ltd. (hereafter, "Sterling ACS") was a Bahamian corporation in the business of incorporating off-shore entities and providing related financial services.

3. Howell Way Woltz (hereafter, "H. Woltz"), a co-conspirator elsewhere indicted, was the president, a director, and a shareholder of Sterling Trust. In addition, H. Woltz was the president and a director of Sterling ACS.

4. I, Vernice C. Woltz am the wife of H. Woltz, a certified public accountant, a director of Sterling Trust, a director and chief financial officer of Sterling ACS, and was nominated as a director of Sterling Bank.

5. Ricky Edward Graves was an attorney licensed to practice law in the State of North Carolina.

6. Samuel T. Currin was an attorney licensed to practice law in the State of North Carolina who represented Mr. J in various capacities. In addition, Currin was a shareholder and director of Sterling Bank.

7. Mr. Y, an unindicted co-conspirator, was an attorney licensed to practice law in the State of North Carolina.

8. Bovee Enterprises LLC (hereafter, "Bovee") was an Anguillan company incorporated by Sterling ACS and controlled by Mr. J.

9. Jasmine Takamine, Sdn Bhd (hereafter, "Jasmine") was an Anguillan company incorporated by Sterling ACS and controlled by Mr. K.

10. Oasis Ltd. (hereafter, "Oasis") was an Anguillan company incorporated by Sterling ACS.

11. Trident Enterprises, LLC (hereafter, "Trident") was an Anguillan company incorporated by Sterling ACS and controlled by Mr. DH and Mrs. AH.

12. Pacific Trust was an off-shore trust formed by Sterling Trust. Pacific Testamentary Trust was also an off-shore trust formed by Sterling Trust and was the beneficiary of Pacific Trust. Pacific Trust owned the shares of Bovee. Mr. J and his father were the beneficiaries of Pacific Testamentary Trust. Mr. J controlled this trust arrangement through Currin, who was the "trust protector."

13. St. Lawrence Trust was an off-shore trust formed by Sterling Trust. St. Lawrence Testamentary Trust was also an off-shore trust formed by Sterling Trust and was the beneficiary of St. Lawrence Trust. St. Lawrence Trust owned the shares of Jasmine. Mr. K was a beneficiary of St. Lawrence Testamentary Trust. Mr. K controlled this trust arrangement as the "trust protector."

14. Alpha Trust was an off-shore trust formed by Sterling Trust. Omega Trust was also an off-shore trust formed by Sterling Trust and was the beneficiary of Alpha Trust. Alpha Trust owned the shares of Oasis. Mr. Ru was to be the beneficiary of Omega Trust. Currin was the "trust protector."

15. Kemplar Trust was an off-shore trust formed by Sterling Trust. Harbor Family Trust was also an off-shore trust formed by Sterling Trust and was the beneficiary of Kemplar Trust. Kemplar Trust owned the shares of Trident. Mr. DH and Mrs. AH were the beneficiaries of Harbor Family Trust. Mr. DH and Mrs. AH controlled this trust arrangement through Mr. Y and Graves, who were the "trust protectors."

16. The Oxford Corporation (hereafter, "Oxford") was an Anguillan company incorporated by Sterling ACS and controlled by Currin, who possessed a debit card issued by First Curacao International Bank in the name of Oxford.

Obstruction of the CFTC Investigation

17. On or about April 1, 2004, the Commodity Futures Trading Commission (hereafter, the "CFTC") filed a civil complaint in federal district court against Tech Traders, Inc. (hereafter, "Tech Traders") and others, alleging fraud in the solicitation of investors (hereafter, the "CFTC Suit"). That same day, the federal district judge hearing the matter issued an order appointing a receiver to account for and distribute the assets of Tech Traders.

18. On or about April 12, 2004, I, along with H. Woltz and others, appeared at the home of Tech Traders' accountant in Gastonia, North Carolina to review his records regarding Tech Traders.

19. On or about April 30, 2004, Sterling Trust, Sterling Bank Ltd. (hereafter, "Sterling Bank"), and other related entities (hereafter, collectively, the "Sterling entities") obtained an order to show cause why they should not be allowed to intervene in the CFTC's Suit to obtain release of funds they had purportedly invested with Tech Traders. A hearing was held on that order on May 7, 2004, in federal district court in Camden, New Jersey. During my sworn testimony in that hearing, I gave false and misleading answers to questions posed to me. Specifically, I gave the following underscored false testimony:

“Q: Have you since all this happened, since the complaint was filed and the Court entered its order on April 1st, have you been in touch with [Tech Traders’ accountant]?”

“A: We have tried.”

“Q: And what has occurred?”

“A: He refuses to, to speak with us.” (Tr. at 45).

At the end of the hearing, the district judge denied the Sterling entities’ request for the release of funds, stating that he was not “even slightly persuaded that these relationships between the Tech Traders groups and the Sterling groups are entirely arms length.”

20. On or about September 22, 2004, H. Woltz and others filed claims in the CFTC Suit on behalf of the Sterling entities for funds purportedly invested with Tech Traders. The claim form filed on behalf of Sterling Bank asserted that H. Woltz and I had a beneficial interest in the funds Sterling Bank invested with Tech Traders. Thus, it was material to the resolution of those claims, and therefore to the CFTC Suit, whether additional individuals or entities had a beneficial interest in the funds, what the source of the funds was, what the nature of the Sterling entities’ business was, who was involved in that business, and what relationship if any existed between the Sterling entities and Tech Traders.

21. Accordingly, the CFTC sought to depose both H. Woltz and me and to subpoena documents from me as custodian of records for the Sterling entities. I sought to evade service of a subpoena in the CFTC Suit. When the process server went to my residence in Advance, North Carolina on or about November 4, 2004, I hid behind the door in my residence while H. Woltz falsely advised the process server that I was not present.

22. On or about May 5, 2005, the U.S. Customs Service served me with a subpoena when I flew into Charlotte-Douglas International Airport. This subpoena called for the production of various documents and items and testimony in the U.S. Attorney’s Office in Charlotte. I failed to appear on the date set forth in the subpoena.

23. On or about June 30, 2005, the CFTC filed a motion in the federal district court in Charlotte seeking an order to show cause why I should not be held in contempt for my failure to appear. I filed no response to that motion.

24. Ultimately, I, through my counsel, agreed to appear for a deposition in Chicago, Illinois. On or about August 9, 2005, I appeared in Chicago for my deposition, but failed to produce any of the subpoenaed documents or items. In addition, during my sworn deposition testimony, I gave false and misleading answers to questions posed to me. Specifically, I gave the following underscored materially false testimony:

“Q: And do any of the Sterling entities have any of the documents that are requested in this Attachment A that have not been produced to the CFTC?”

“A: I don’t know. I think we have provided, when I was there records were provided to the receiver. Records were provided to you through [counsel]. It may have encompassed a lot of records we have sent to you, but I don’t know where these records would be or where the records are, who has them in their possession.”

“Q: So you haven’t made any search for any of the records that we subpoenaed that we have required production of.”

“A: I don’t have access to those records.”

“Q: Why don’t you have access to those records?”

“A: Because I don’t have them on me personally.”

“Q: You live in the Bahamas now, is that correct?”

“A: That’s correct.”

“Q: Are there records in the Bahamas that are responsive to this subpoena?”

“A: Not in my home.”

“Q: Are there records that are responsive to the subpoena in the Sterling business offices?”

“A: Maybe. I don’t know.”

“Q: You have not made a search, is that correct?”

“A: I have not made a search because I don’t have access to their records.”

“Q: Who has access to their records?”

“A: The people who work there.”

“Q: Who are they?”

“A: Ms. Mohan, Mr. Storr, Mr. Adderley.”

“Q: Anybody else have access to those records?”

“A: I guess Mr. Woltz would have access to them.”

"Q: You are representing you do not have access to those records."

"A: That's what I'm representing."

"Q: And how long has it been since you have not had access to these records?"

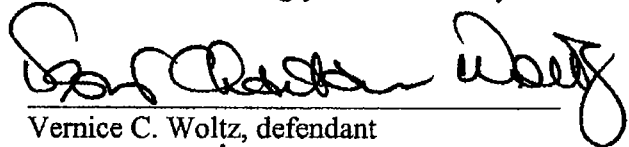
"A: Since September."

"Q: Since September 2004."

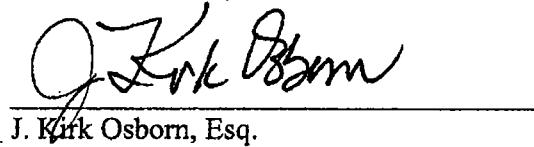
"A: Yes." (Tr. at 51-53).

The preceding statement is a summary of the facts relevant to the tax fraud conspiracy and obstruction of justice conspiracy in which I engaged. It does not include all of the facts known to me concerning criminal activity in which I and others engaged or in which others engaged without my knowledge at the time of my participation. I make this statement knowingly and voluntarily.

Date: JAN 26, 2007



Vernice C. Woltz, defendant



J. Kirk Osborn, Esq.

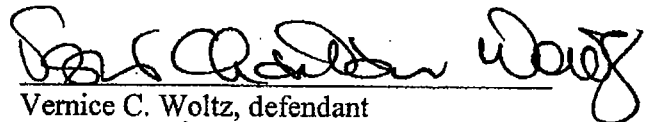
EXHIBIT 2

ASSETS TO BE FORFEITED

I, Vernice C. Woltz, hereby agree to forfeit the following assets to the United States Government:

1. \$90,000 held for Sterling ACS at First Caribbean International Bank
2. The sum of \$50,000 held for Sterling Trust Ltd. at Merrill Lynch International
3. All funds held in a BB&T bank account under the names of Howell & Vernice Woltz.
4. All funds held in the BB&T bank account under the name of Vernice Woltz.
5. All funds held in an RBC bank account under the name of Vernice Woltz.
6. Equity interest in Sterling Trust Ltd.
7. Equity interest in Sterling ACS Ltd.
8. Equity interest in Sterling Precious Metals Ltd.
9. Any additional property which is traceable, directly or indirectly, to proceeds of specified unlawful activity or otherwise involved in specified unlawful activity, whether or not I have pled guilty to such.

Date: JAN 26, 2007


Vernice C. Woltz, defendant

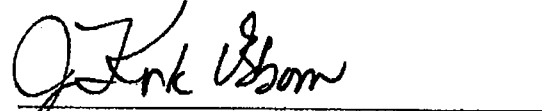

J. Kirk Osborn, Esq.

EXHIBIT C

UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF NEW JERSEY

COMMODITY FUTURES TRADING)
COMMISSION,)

Plaintiff,)

vs.)

Civil Action No.: 04CV 1512

EQUITY FINANCIAL GROUP, LLC,)
TECH TRADERS, INC., TECH)
TRADERS, LTD., MAGNUM)
CAPITAL INVESTMENTS, LTD.,)
MAGNUM INVESTMENTS, LTD.,)
VINCENT J. FIRTH, ROBERT W.)
SHIMER, COYT E. MURRAY, and J.)
VERNON ABERNETHY,)

Honorable Robert B. Kugler

Defendants.)

**DECLARATION UNDER PENALTY OF PERJURY OF
JOY MCCORMACK PURSUANT TO 28 U.S.C. § 1746**

I, Joy McCormack, hereby declare as follows:

1. I am a Senior Futures Trading Investigator with the Division of Enforcement of the United States Commodity Futures Trading Commission ("Commission" or "CFTC"), an independent regulatory agency of the United States Government. I have been employed with the Commission's Division of Enforcement since 1999.

2. I have been primarily responsible for the investigation conducted by the Division of Enforcement into the facts surrounding the case of *CFTC v. Equity Financial Group, LLC, et al.* As part of this investigation, I have been assigned the task of obtaining and reviewing financial records and other relevant documents relating to various individuals who and entities that invested with the Receivership Defendants in the case.

3. In particular, I have spent considerable time during this case obtaining and reviewing information that relates to the following entities that claim to have invested with Receivership Defendant Tech Traders, Inc. ("Tech Traders"): Sterling ACS Ltd., Sterling Bank Ltd., Sterling Investment Management Ltd., Sterling Trust (Anguilla) Ltd., Sterling Alliance Ltd., Sterling Casualty & Insurance Ltd. and Strategic Investment Portfolio LLC (collectively, the "Sterling Entities"). My objective in obtaining and reviewing information relating to the Sterling Entities was to trace, to the extent possible, the ultimate sources of the funds the Sterling Entities invested in the Tech Traders' investment scheme, as well as the ultimate beneficiaries of the funds, which the Sterling Entities withdrew from the scheme.

4. As an initial matter, I subpoenaed and analyzed records from Bank of America for bank accounts in the name of Tech Traders. I also reviewed the financial analysis of Tech Traders' bank account at Bank of America prepared by the Equity Receiver's accountant, FGМК, LLC ("FGМК"), along with select supporting documentation from Bank of America. Based on my analysis and review of FGМК's financial analysis, I was able to identify and document all of Tech Traders' transactions relating to the Sterling Entities. The total amount of such transactions was 54.¹ Specifically, these 54 transactions involved one or more of the Sterling Entities, or an identified intermediary, transferring funds to or withdrawing funds from Tech Traders.

5. While the FGМК analyses enabled me to identify all 54 transactions, I required additional information to further trace the funds to the ultimate sources and beneficiaries. I subpoenaed records from bank accounts in the names of the following Sterling Entities: Sterling

¹ Not included among these 54 transactions are those relating to account #37923 at Man Financial. The Receiver has reached a settlement with Sterling Trust (Anguilla) Ltd. regarding the individual Sterling investor's funds in this account, and therefore, these transactions are not incorporated in this tracing analysis.

Alliance Ltd., Sterling ACS Ltd., Sterling Bank Ltd., Sterling Investment Management Ltd., Strategic Investment Portfolio LLC, Strategic Bahamas Portfolio, Sterling Casualty & Insurance Ltd., and Sterling Trust (Anguilla) Ltd. In sum, I subpoenaed records for the following bank accounts located in the United States:

- Sterling ACS Ltd.'s account at Branch Banking & Trust ("BB&T"), correspondent account at Barclay's Bank and correspondent account at JP Morgan Chase Bank;
- Sterling Bank Ltd.'s three accounts at two banks, one at BB&T and two at Bank of America;
- Sterling Investment Management Ltd.'s two accounts at BB&T;
- Sterling Casualty & Insurance Ltd.'s account at BB&T;
- Strategic Investment Portfolio LLC's account at BB&T; and
- Sterling Trust (Anguilla) Ltd.'s three accounts at BB&T.

6. In addition to these bank accounts in the United States, several of the Sterling Entities, along with a Bahamian financial institution that received funds from and transferred funds to the Sterling Entities (Alliance Investment Management Ltd.), maintained accounts at offshore financial institutions. Because of the limit of the CFTC's subpoena authority, I was not able to subpoena or otherwise obtain records from these offshore financial institutions. This limited my ability to identify the ultimate sources and beneficiaries for many of the 54 transactions.

7. As part of this tracing analysis, I attempted to correlate these 54 transactions with the claims submitted by the Sterling Entities and their investors. To start, I reviewed the claim forms and supporting documentation submitted by the Sterling Entities as part of the investor

claim process initiated by the Equity Receiver, Stephen T. Bobo (the "Receiver"), in August 2004. In addition to these documents, I reviewed the claim forms and supporting documentation produced to the Receiver by various persons who invested with the Sterling Entities. The Receiver received 17 claim forms from the following Sterling investors: Greg Borsoi, John Caire, CMP Fund, Samuel Currin for both Oxford Corporation and Sterling Casualty & Insurance Ltd., Entrust Bank, Ltd. (formerly Sterling Bank Ltd.), DRL Twenty Plus Fund, Angela and Michael Hubbard, Elmer Martin, Luci Johnson, Walter Kells and Brigitte Pilgrim, Bob Lansing, Mark Malinowski, Susan Raef, Mary Raef, Patti and Gary Reiter, and Terry Sanderson.

8. Based on my review of the above-mentioned financial records and claim forms, along with other relevant information, I was able to conclusively trace the funds originating from the Sterling Entities and their investors to the ultimate sources (or beneficiaries) for 24 of the 54 transactions. Of the 24 transactions traced to ultimate sources (or beneficiaries), 19 transactions may represent funds of the Sterling investors who filed claims. Additionally, of the remaining 30 transactions, 20 are not conclusively traceable to ultimate sources because they are derived from offshore accounts. However, 7 of the 20 transactions can possibly be allocated to Sterling investors who filed claims. The remaining 10 transactions are withdrawals by the Sterling Entities from Tech Traders which were not traceable to Sterling investors who filed claims. The tracing analysis spreadsheet I prepared is attached hereto as Exhibit A.

9. I reached the following determinations about these 17 claimants:

Claims Recommended as Fully Allowable by Receiver²:

a. John Caire: Mr. Caire provided a claim form and documentation supporting his investment with various Sterling Entities in the amount of \$851,875. Specifically, Mr. Caire provided documentation that shows he made two wire transfers (each in the amount of \$125,000) to the Sterling Entities on August 27, 2003 and September 5, 2003. As the tracing analysis illustrates, Sterling ACS Ltd. then transferred \$230,000 of the \$250,000 to Tech Traders on September 12, 2003 (Transaction #27 on Exhibit A). The bank records show he transferred \$625,000 to an account in the name of Sterling Bank Ltd. on February 3, 2004. As the tracing analysis shows, on February 4, 2004, Sterling Bank Ltd. transferred \$621,875 of this amount to an account in the name of Sterling Investment Management Ltd. On February 6, 2004, Sterling Investment Management Ltd. in turn transferred the \$621,875 to Tech Traders (Transaction #44 on Exhibit A). Mr. Caire acknowledges on his claim that the Sterling Entities kept \$23,125 of his investment for "fees." In sum, I was able to trace funds totaling \$851,875 from Mr. Caire to Tech Traders.

b. CMP Fund: In 2004, CMP Fund provided a claim form and documentation supporting the investment group's investment with Sterling Bank Ltd. in March 2004 in the amount of \$9,050,000. The tracing analysis confirms that Sterling Bank Ltd. transferred \$9,050,000 to Tech Traders in three separate transactions (Transactions #48, #49, and #54 on Exhibit A).

² Solely as a matter of form, I have adopted the headings used by the Receiver in his affidavit and supporting memorandum in order to aid the Court in its review of these voluminous pleadings. Similarly, I have discussed the claims in the same order used by the Receiver for ease of cross-reference. I have not, however, relied on the analysis or conclusions reached by the Receiver in his affidavit or supporting memorandum in forming my determinations set forth in this Declaration.

c. DRL Twenty Plus Fund: In 2004, DRL Twenty Plus Fund provided a claim form and documentation supporting the investment group's investment with Sterling Bank Ltd. in January 2004 in the amount of \$1,200,000. The bank records show that Sterling Bank Ltd. transferred \$1,200,000 to Tech Traders on January 16, 2004 (Transaction #39 on Exhibit A).

d. Michael and Angela Hubbard: The Hubbards provided a claim form and supporting documentation relating to their \$160,000 investment with Strategic Investment Portfolio LLC in February 2004. Based on the bank records, I can confirm that the Hubbards transferred \$160,000 to an account in the name of Strategic Investment Portfolio LLC on February 27, 2004. Strategic Investment Portfolio LLC then transferred these funds to Tech Traders on February 27, 2004 (Transaction #47 on Exhibit A). In sum, I was able to trace \$160,000 in funds originating from the Hubbards to Tech Traders.

e. Susan Raef: Ms. Susan Raef submitted a claim form and documentation to support her \$36,720.83 investment with Strategic Investment Portfolio LLC on March 19, 2004. Susan Raef's funds can be traced from Strategic Investment Portfolio LLC to Tech Traders on March 19, 2004 (Transactions #51, #52, and #53 on Exhibit A). While Susan Raef also disclosed on her claim form that she received \$9,000 in withdrawals from Howell Woltz in April 2005, these funds did not originate from Tech Traders because the Court's freeze order was in place a year before. In sum, I was able to trace \$36,720.83 in funds originating from Susan Raef to Tech Traders.

f. Mary Raef: Ms. Mary Raef submitted a claim form and documentation to support her \$38,870.15 investments with Strategic Investment Portfolio LLC in March

2004. In particular, Mary Raef transferred \$20,028.06 to Strategic Investment Portfolio LLC on March 15, 2004 and \$18,842.09 on March 19, 2004. Mary Raef's funds can be traced from Strategic Investment Portfolio LLC to Tech Traders on March 19, 2004 (Transactions #51, #52, and #53 on Exhibit A). Mary Raef also disclosed on her claim form that Howell Woltz transferred \$6,020 to her in April 2005; however, these funds did not originate from Tech Traders because the Court's freeze order was in place a year before. In sum, I was able to trace \$38,870.15 in funds originating from Mary Raef to Tech Traders.

Claims Recommended as Partially Objectionable by Receiver:

g. Walter Kells and Brigitte Pilgrim: Mr. Kells and Ms. Pilgrim, who are husband and wife, provided a claim form and supporting documentation relating to an alleged \$70,000 investment with Tech Traders through Strategic Investment Portfolio LLC and Sterling ACS Ltd. In particular, they provided documentation showing that they transferred \$20,000 to an account in the name of Strategic Investment Portfolio LLC on January 8, 2004. The bank records confirm that Strategic Investment Portfolio LLC transferred a larger amount of \$70,000 (including Mr. Kells and Ms. Pilgrim's \$20,000) to Tech Traders on January 29, 2004 (Transaction #42 on Exhibit A). Their remaining \$50,000 investment with Strategic Investment Portfolio cannot be definitely traced to Tech Traders. Mr. Kells and Ms. Pilgrim provided a wire transfer advice showing that they transferred \$100,000 to Sterling ACS Ltd.'s account at a Bahamian financial institution on November 15, 2001. Of this \$100,000 transfer, Mr. Kells and Ms. Pilgrim assert that they requested the transfer of \$50,000 of this amount from one Sterling investment opportunity (Celera Fund) to another (Strategic Investment Portfolio LLC) in

December 2003. A Statement of Activity issued to them by the Sterling Entities confirms this internal transfer of \$50,000 effective December 1, 2003. Transaction #36 may represent Mr. Kells and Ms. Pilgrim's funds. On December 29, 2003, the Sterling Entities, through a Bahamian financial institution, transferred \$50,000 to Tech Traders. I am unable to definitely trace this transaction to any particular investor. In sum, I was able to clearly trace \$20,000 in funds originating from Mr. Kells and Ms. Pilgrim to Tech Traders. It is possible that \$50,000 of their funds invested with the Sterling Entities was transferred to Tech Traders, but insufficient records are available to provide greater certainty.

h. Bob Lansing: Mr. Lansing provided a claim form and supporting documentation showing that he transferred \$606,500 to the Sterling Entities between August 14, 2001 and February 10, 2006. In particular, Mr. Lansing provides support that he invested \$101,500 with "Sterling Securities International Ltd." on August 14, 2001, \$500,000 with "Sterling" on December 10, 2002, and \$5,000 with "Sterling" on February 10, 2006. Neither the first nor the last transfer appears to have any possible connection to Tech Traders. With regard to his \$101,500 investment in August 2001, the Sterling Entities did not begin transferring funds to Tech Traders until late April 2002 – over eight months after Mr. Lansing's initial investment. There is no indication that the Sterling Entities' first transfer of \$420,000 from Sterling ACS Ltd. to Tech Traders on April 30, 2002, or any subsequent transfer, represents Mr. Lansing's funds. As for the \$5,000 investment in February 2006, the Sterling Entities could not have transferred these funds to Tech Traders because Tech Traders' accounts had been frozen nearly two years earlier. By contrast, Mr. Lansing's \$500,000 investment with Sterling ACS Ltd. on December 10,

2002 may have been transferred to Tech Traders. On January 2, 2003, a Sterling account transferred \$555,970 to Tech Traders (Transaction #11 on Exhibit A). That transaction cannot be traced to any particular investor. In sum, it is possible that Mr. Lansing's \$500,000 was placed with Tech Traders, but insufficient records are available to provide greater certainty.

i. Entrust Bank, Ltd. (formerly Sterling Bank Ltd.): Sterling Bank Ltd. previously submitted a claim form as part of the initial investor claim process initiated by the Receiver in August 2004. On its claim form, Sterling Bank Ltd. represented that it invested \$300,000 with Tech Traders, but provided only limited supporting documentation. The bank records for Sterling Bank Ltd. show that it transferred \$112,500 to Tech Traders on September 26, 2003 (Transaction #29 on Exhibit A) and \$15,000 on October 3, 2003 (Transaction #30 on Exhibit A). In sum, I was able to trace \$127,500 in funds originating from Sterling Bank Ltd. to Tech Traders, but I found no indication that the other \$172,500 was ever transferred to Tech Traders.

j. Terry Sanderson: Mr. Sanderson provided a claim form and supporting documentation for his \$95,324.57 investment with Sterling Trust (Anguilla) Ltd. on September 30, 2002. Although his funds cannot be definitely traced to Tech Traders, on October 2, 2002, two days after the funds were invested, Sterling ACS Ltd. transferred \$200,000 to Tech Traders (Transaction #7 on Exhibit A). This transfer cannot be traced to any particular investor. Mr. Sanderson's funds may represent a portion of this transfer, but insufficient records are available to provide greater certainty.

k. Luci Johnson: Ms. Johnson submitted a claim form and supporting documentation asserting that she invested \$127,717.66 with Sterling ACS Ltd. and

Strategic Investment Portfolio LLC and received \$8,292 in withdrawals from the Sterling Entities. In particular, Ms. Johnson provided documentation to show that she transferred \$103,939.66 to Sterling ACS Ltd. on January 2, 2003, \$15,000 to Strategic Investment Portfolio LLC on November 4, 2003, and \$8,778 to Strategic Investment Portfolio LLC on February 12, 2004. I have confirmed that \$23,678 of the total of \$127,617.66 can be definitely traced to Tech Traders. On December 3, 2003, Strategic Investment Portfolio LLC transferred \$14,900 (of Ms. Johnson's \$15,000 investment) to Tech Traders (Transaction #34 on Exhibit A). On February 12, 2004, Strategic Investment Portfolio LLC transferred \$13,778 to Tech Traders, which included Ms. Johnson's investment of \$8,778 (Transaction #45 on Exhibit A). Most of the remaining amount of \$103,939.66 that Ms. Johnson invested with Strategic Investment Portfolio LLC could be represented in Transaction #14. On January 2, 2003, Ms. Johnson wired \$103,939.66 to an account in the name of Sterling ACS Ltd. Fifteen days later, on January 17, 2003, the Sterling Entities, through the Bahamian financial institution Alliance Investment Management, transferred \$100,000 to Tech Traders (Transaction #14 on Exhibit A). I have been unable to definitely trace those funds to any particular investor. While Ms. Johnson stated on her claim form that she received \$8,292 in withdrawals from Tech Traders, I can only confirm that she received three separate withdrawals totaling \$6,219 that are traceable to Tech Traders (Transactions #18B, #23B, #32B on Exhibit A). In sum, I was able to clearly trace \$23,678 in funds originating from Ms. Johnson to Tech Traders and \$6,219 in funds withdrawn from Tech Traders to Ms. Johnson. It is also possible that another \$100,000 of Ms. Johnson's funds was transferred to Tech Traders, but insufficient records are available to provide greater certainty.

l. Samuel Currin – Sterling Casualty & Insurance Ltd.: Mr. Currin submitted a second claim form for a \$67,500 “capital contribution” he claims to have made with Thomas Goolsby to Sterling Casualty & Insurance Ltd. According to Mr. Currin’s claim form, he transferred these funds to Sterling Casualty & Insurance Ltd. “to capitalize” the company. Although Mr. Currin did not submit any supporting documentation with his claim, the bank records of Tech Traders and the Sterling Entities reflect certain transactions which appear to relate to this claim. On December 29, 2003, Mr. Currin’s former law firm, Currin Law Firm PLLC, transferred \$57,500 to an account in the name of Sterling Bank Ltd. After two intermediary transfers, as part of a large transfer, these funds were transferred to Tech Traders on February 2, 2004 (Transaction #43 on Exhibit A). Then, on February 9, 2004, Mr. Currin transferred \$5,000 to an account in the name of Sterling Casualty & Insurance Ltd. On February 11, 2004, Sterling Casualty & Insurance Ltd. transferred these funds to an account in the name of Strategic Investment Portfolio LLC. The next day, Strategic Investment Portfolio LLC transferred the funds to Tech Traders as part of a larger transfer (Transaction #45 on Exhibit A). In sum, I was able to trace funds totaling \$62,500 from Mr. Currin to Tech Traders.

m. Elmer Martin: Mr. Martin provided a claim form and supporting documentation that suggests he transferred approximately \$2.3 million directly or indirectly to the Sterling Entities for multiple investment opportunities. The claim form he submitted also showed that he received \$80,000 on May 27, 2004. In particular, Mr. Martin provided a summary from his financial institution showing he transferred approximately \$2.3 million in funds between November 2000 and April 2004. Mr. Martin also provided a Statement of Activity for the period of January 1, 2004 through June 30, 2004 from the Sterling

Entities that shows he invested in the following investment vehicles: Precious Metals Holdings (\$100,000), Celera Portfolio (in the amount of \$400,000), Autumn Gold Global Fund (in the amount of \$90,000), Safe Haven Investment (in the amount of \$150,000), and Strategic Investment Portfolio (in the amount of \$225,000), Anchor Hedge Fund (in the amount of \$81,500) and various securities (with a cost basis of \$113,993.35). There is no indication that any funds invested by Martin with either Celera Portfolio, Autumn Gold Global Fund, Precious Metals Holdings, Anchor Hedge Fund or Safe Haven Investment were ever transferred to Tech Traders. By contrast, the bank records show that Strategic Investment Portfolio LLC did invest funds with Tech Traders on multiple occasions. From my analysis of the Strategic Investment Portfolio U.S. bank account, it appears that most of the funds deposited into that account were later transferred to Tech Traders and can be traced to other Sterling claimants. It is unknown if any funds invested with Strategic Investment Portfolio LLC offshore accounts were in turn transferred to Tech Traders. However, there are at least two transactions from an offshore Sterling entity account in the Fall of 2003 which could possibly be allocated to Martin (Transactions #31 and #33 on Exhibit A). None of Mr. Martin's total investment can be conclusively traced to Tech Traders.

n. Patti and Gary Reiter: The Reiters provided a claim form and supporting documentation showing that they invested a total of \$130,037 with Sterling ACS Ltd. In particular, they provided wire transfer advices that confirm they wired \$55,000 to Sterling ACS Ltd. on January 6, 2004, and \$75,000 on March 8, 2004. On their claim form, the Reiters acknowledge that they were told (apparently by the Sterling Entities) the \$75,037 transfer "never actually got invested." Their \$55,000 investment cannot be

definitely traced to Tech Traders. However, on January 15, 2004, the Sterling Entities, through the Bahamian financial institution Alliance transferred \$225,000 to Tech Traders (Transaction #38 on Exhibit A). This transfer cannot definitely be traced to any particular investor, and it is possible that the Reiters' funds represent a portion of this transfer. There are no transfers from the Sterling Entities to Tech Traders on or around March 8, 2004 in the amount of \$75,000, or a comparable amount. In sum, \$55,000 of the Reiters' total investment of \$130,000 may have been transferred to Tech Traders.

Claims Recommended as Not Allowable by Receiver:


o. Samuel Currin – Oxford Corporation: Mr. Currin submitted two claim forms to the Receiver. In his first claim form, Mr. Currin showed that he invested \$26,595 with “Sterling Trust” through an entity known as “Oxford Corporation.” To substantiate this investment, Mr. Currin provided a Statement of Activity from the Sterling Entities showing that he invested \$6,595 with Strategic Investment Portfolio on August 1, 2003 and \$20,000 with Autumn Gold Global Fund on April 1, 2004. Mr. Currin, however, failed to provide supporting documentation from his financial institution to substantiate Oxford Corporation's investments or any evidence to show that its investments with the Sterling Entities were ultimately transferred to Tech Traders. There are no transfers from any of the Sterling Entities' accounts to Tech Traders in the amount of \$6,595 (or a comparable amount) on or around August 1, 2003, or \$20,000 (or a comparable amount) on or around April 1, 2004. Additionally, there is no evidence that any funds that Oxford Corporation or any other investor may have transferred to Autumn Gold Fund ever made their way to Tech Traders. I was also unable to trace any funds originating from Oxford Corporation to Tech Traders.

p. Mark Malinowski: Mr. Malinowski submitted a claim form and documentation that suggests he invested \$55,463 with the Sterling Entities and received \$30,000 in withdrawals. Of this \$55,463 investment, a Statement of Activity issued to Mr. Malinowski by the Sterling Entities shows that they allocated \$20,000 of his existing investment with Strategic Investment Portfolio LLC on or around August 1, 2003. Based on his correspondence to the Receiver, it appears that the remaining \$35,463 was invested with Celera, another investment opportunity offered by the Sterling Entities which had no apparent dealings with Tech Traders. Mr. Malinowski failed to produce any supporting documentation, such as wire transfer advices or cancelled checks, to show that he actually sent money to the Sterling Entities for investment with Tech Traders. In addition, there are no transfers from the Sterling Entities to Tech Traders on or about August 1, 2003 in the amount of \$20,000. I was therefore unable to trace any funds originating from Mr. Malinowski to Tech Traders.

q. Greg Borsoi: On his claim form, Mr. Borsoi states that he invested \$130,000 with Strategic Investment Portfolio LLC on March 13, 2003. In support of this investment, Mr. Borsoi provided (i) email correspondence from his insurance provider confirming an outgoing transfer in the amount of \$279,207.28 to an unknown destination on February 7, 2003, and (ii) a Statement of Activity issued to him by the Sterling Entities showing receipt of nearly the same amount apparently from his insurance provider as of February 10, 2003, and the allocation of \$130,000 of Mr. Borsoi's funds to Strategic Investment Portfolio LLC on March 13, 2003. There are no transfers from the Sterling Entities to Tech Traders on or around March 13, 2003 in the amount of \$130,000 (or a comparable

amount). I was therefore unable to trace any funds originating from Mr. Borsoi to Tech Traders.

I declare under penalty of perjury that the foregoing is true and correct. I have executed this Declaration on the 24th day of April 2007.


Joy H. McCormack
Investigator

937869v.7

EXHIBIT A

US CFTC v. Equity Financial Group, et al.

ANALYSIS OF STERLING CASH FLOW RELATED TO TECH TRADERS

TRANS NO	DATE	ACCOUNT	ACCOUNT NAME	TYPE	TRANSFER	AMOUNT	USE OF FUNDS	BENEFICIARY OF FUNDS	ENTITY/ MARKING	TRACKING LEVEL #1	TRACKING LEVEL #2	TRACKING LEVEL #3	TRACKING LEVEL #4	TRACKING LEVEL #5
04/30/02		FCS-SAL-9330	STERLING ASC, LTD	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(420,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING ACS, LTD., FCS-SAL-9330	UNKNOWN				
05/03/02		FCS-SAL-9330	STERLING ASC, LTD	Wire Sterling ACS Limited	STERLING ACS, LTD. (TT-7961)	(40,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING ACS, LTD., FCS-SAL-9330	UNKNOWN				
07/11/02		JP-AIM-0021	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(100,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	ALLIANCE INVESTMENT MANAGEMENT, JP-AIM-0021	UNKNOWN				
08/28/02		FCS-SAL-9330	STERLING ASC, LTD	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(300,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING ACS, LTD., FCS-SAL-9330	UNKNOWN				
09/04/02		FCS-SAL-9330	STERLING ASC, LTD	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(200,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING ACS, LTD., FCS-SAL-9330	UNKNOWN				
09/19/02		UNKNOWN	W3 COMMERCE LLC	CK Per Tech Traders Check	W3 COMMERCE, LLC (TT-7961)	100,000.00	N/A	W3 COMMERCE, LLC (TT-7961)	TECH TRADERS, INC. (TT-7961)	UNKNOWN				
10/02/02		FCS-SAL-9330	STERLING ASC, LTD	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(200,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING ACS, LTD., FCS-SAL-9330	UNKNOWN				
11/05/02		JP-AIM-0021	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(50,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	ALLIANCE INVESTMENT MANAGEMENT, JP-AIM-0021	UNKNOWN				
11/21/02		FCS-SAL-9330	STERLING ASC, LTD	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(100,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING ACS, LTD., FCS-SAL-9330	UNKNOWN				
12/23/02		BFT-SIA-4588	STERLING TRUST (ANGULULA), LTD.	DBP	TECH TRADERS, INC. (TT-7961)	10,000.00	VARIOUS	STERLING TRUST (ANGULULA), BFT-SIA-4588	TECH TRADERS, INC. (TT-7961)	N/A				
01/02/03		JP-AIM-0021	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(555,970.00)	N/A	TECH TRADERS, INC. (TT-7961)	ALLIANCE INVESTMENT MANAGEMENT, JP-AIM-0021	UNKNOWN				
01/06/03		JP-AIM-0021	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(90,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	ALLIANCE INVESTMENT MANAGEMENT, JP-AIM-0021	UNKNOWN				
01/16/03		FCS-SAL-9330	STERLING ASC, LTD	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(240,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING ACS, LTD., FCS-SAL-9330	UNKNOWN				
01/17/03		JP-AIM-0021	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(100,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	ALLIANCE INVESTMENT MANAGEMENT, JP-AIM-0021	UNKNOWN				
01/24/03		BFT-SAL-4312	STERLING ASC, LTD	WIRE IN	TECH TRADERS, INC. (TT-7961)	26,330.40	VARIOUS	STERLING ACS, LTD., BFT-SAL-4312	TECH TRADERS, INC. (TT-7961)	N/A				
02/07/03		JP-AIM-0021	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(100,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	ALLIANCE INVESTMENT MANAGEMENT, JP-AIM-0021	UNKNOWN				
03/14/03		BFT-SAL-4312	STERLING ASC, LTD	WIRE IN	TECH TRADERS, INC. (TT-7961)	85,000.00	STERLING LLC PRO PARTNERS DIRECT	STERLING ACS, LTD., BFT-SAL-4312	TECH TRADERS, INC. (TT-7961)	N/A				

U.S. CITIC v. Equity Financial Group, et al.

ANALYSIS OF STERLING CASH FLOW RELATED TO TECH TRADERS

DATE	ACCOUNT NAME	TYPE	AMOUNT	USE OF FUNDS	BENEFITARY OF FUNDS	ENTRY MAKING PARTY	TRADING LEVEL	TRADING LEVEL	TRADING LEVEL	TRADING LEVEL	
04/29/03	BPT-SAL-4312	STERLING ASC. LTD	94,996.00	USED FOR DIRECTORS / EXPENSES / L. JOHNSON WTD	STERLING ACS, LTD., BPT-SAL-4312	STERLING ACS, LTD., (TT-7961)	N/A	[PRIOR BAL. - \$111,588.05] 5/2/03 - JAMES VAN SOEST DEPOSITS \$10,240 5/2/03 - (\$38,587) WIRED TO V. & H. WOLTZ 5/2/03 - (\$9,949.79) PAID TO GOLDCORP AUSTRALIA 5/2/03 - (\$774) PAID TO ASSET STRATEGIES INTL [ENDING BAL. - \$72,815.28]	[PRIOR BAL. - \$23,914.53] 4/23/03 - TT WIRES \$94,996 TO SAL-4312 FUNDS USED IN VARIOUS WAYS [5/1/03 ENDING BAL. - \$111,588.05]	[PRIOR BAL. - \$1,741.94] 4/1/03 - EQUITY FUNDING TRANSFERS \$30K TO SAL-4312 FUNDS USED IN VARIOUS WAYS [4/27/03 ENDING BAL. \$23,914.53]	
04/29/03	JP-AM-0021	ALLIANCE INVESTMENT MANAGEMENT	14,700.00	UNKNOWN	ALLIANCE INVESTMENT (JP-AM-0021)	MAGNUM INVESTMENTS (M-2319)	N/A				
05/14/03	JP-AM-0021	ALLIANCE INVESTMENT MANAGEMENT	(20,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	ALLIANCE INVESTMENT MANAGEMENT, JP-AM-0021	UNKNOWN				
05/28/03	UNKNOWN		2,000.00	UNKNOWN	VERNICE C. WOLTZ	TECH TRADERS, INC. (TT-7961)	N/A				
07/07/03	BPT-SAL-4312	STERLING ASC. LTD	(215,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING ACS, LTD., BPT-SAL-4312 (\$241K)	7/2/03 - STERLING ACS, LTD., SAL-9330 (\$241K)	UNKNOWN			
07/10/03	BPT-SAL-4312	STERLING ASC. LTD	220,000.00	PORTION OF FUNDS ARE RECYCLED THROUGH STERLING BANK & SOI	STERLING ACS, LTD., BPT-SAL-4312	TECH TRADERS, INC. (TT-7961)	N/A				
07/22/03	BPT-SAL-4312	STERLING ASC. LTD	88,751.00	USED FOR DIRECTORS / EXPENSES	STERLING ACS, LTD., BPT-SAL-4312	TECH TRADERS, INC. (TT-7961)	N/A				
08/11/03	JP-AM-0021	ALLIANCE INVESTMENT MANAGEMENT	(25,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	ALLIANCE INVESTMENT MANAGEMENT, JP-AM-0021	UNKNOWN				

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ANALYSIS OF STERLING CASH FLOW RELATED TO TECH TRADERS

TRANS NO.	DATE	ACCOUNT NO.	ACCOUNT NAME	TYPE	TRANSFER BETWEEN TRADERS	AMOUNT	USE OF FUNDS	BENEFICIARY OF FUNDS	ENTRY MARKING	TRADING - LEVEL 1	TRADING - LEVEL 2	TRADING - LEVEL 3	TRADING - LEVEL 4
25	09/05/03	BBT-SIA-3157	STERLING TRUST (ANGULLA), LTD.	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(800,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING TRUST (ANGULLA), LTD. - BBT-SIA-3157	[07/22/03 - ANSABACHER BAHAMAS LTD. (613,933,942.22) TO BBT-SIA-3157 WIRES (6450,000) TO MERILL LYNCH INTERNATIONAL (6876,579.20) 09/05/03 - STA-3157 WIRES (8200,000 TO MAN FINANCIAL) [ENDING BAL \$1,721,565.59]	[07/22/03 - STA-3157 WIRES (\$1,000,000) TO MAN FINANCIAL (4800) 06/29/03 - STA-3157 ACCRUES INTEREST OF \$5,522.89 [ENDING BAL - \$1,558,077.48]	[PRIOR BAL - \$0] 4/7/03 - STERLING TRUST (ANGULLA), LTD. - STA-4588 WIRES (\$2,352,354.87) TO STA-3157 [ENDING BAL \$2,352,354.87]	[PRIOR BAL - \$16,151.48] 4/4/03 - LE MASURER JAMES & CHINN, LTD. WIRES (\$3,052,554.87) TO STA-4588
26	09/16/03	BBT-SAL-4312	STERLING ASC, LTD.	WIRE IN	TECH TRADERS, INC. (TT-7961)	94,135.00	VARIOUS	STERLING ACS, LTD. (TT-7961)	STERLING ACS, LTD., FCI-SAL-9330	8/22/03 - CAIRE, JOHN TRANSFERS \$125,000 TO FCI-SAL-9330 9/5/03 - CAIRE, JOHN TRANSFERS \$125,000 TO FCI-SAL-9330			
27	09/26/03	BBT-SBL-4207	STERLING BANK, LTD.	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(112,500.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING BANK, LTD. - BBT-SBL-4207	[PRIOR BAL \$8,706.79] 9/12/03 - 620 MARKET STREET WIRES (\$80,000) TO SBL-4207	07/14/03 - BBT-SAL-4312 WIRES (\$200,000) TO SBL-4207	[PRIOR BAL - \$46,557.78] 7/10/03 - TTI WIRES (\$220,000) TO BBT-SAL-4312	
28	10/03/03	BBT-SBL-4207	STERLING BANK, LTD.	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(15,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING BANK, LTD. - BBT-SBL-4207	[PRIOR BAL \$8,706.79] 09/12/03 - 620 MARKET STREET WIRES (\$80,000) TO SBL-4207 10/07/03 - INTERTRUST (ANGULLA) LTD. WIRES (\$25,000) TO SBL-4207	SEE TRANS. NO. 29.		
29	10/22/03	JF-AM-0021	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(30,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	ALLIANCE INVESTMENT MANAGEMENT, JF-AM-0021				
30	11/03/03	BBT-SAL-4312	STERLING ASC, LTD.	WIRE OUT	TECH TRADERS, INC. (TT-7961)	82,816.00	VARIOUS	STERLING ACS, LTD. (TT-7961)	STERLING ACS, LTD., BBT-SAL-4312	N/A			
31	11/03/03	JF-AM-0021	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(60,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	ALLIANCE INVESTMENT MANAGEMENT, JF-AM-0021	[PRIOR STERLING BAL. APPX. \$8,000] TTI WIRES \$82,816 TO SAL-4312 (SEE TRANS. 32A) FUNDS USED IN VARIOUS WAYS [ENDING TTI SOURCE BAL. - \$74,819.28]			
32	11/03/03	JF-AM-0021	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(14,900.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING ACS, LTD., BBT-SAL-4312	[PRIOR BAL. - \$0] 11/10/03 - INVESTOR JOHNSON WIRES (\$15,000) TO SIP-5084			
33	12/24/03	FCI-SAL-9330	STERLING ASC, LTD.	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(230,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING ACS, LTD., FCI-SAL-9330	UNKNOWN			

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ANALYSIS OF STERLING CASH FLOW RELATED TO TECH TRADERS

DATE	ACCOUNT	ACCOUNT NAME	TYPE	TRADERS	AMOUNT	USE OF FUNDS	BENEFICIARY OF FUNDS	TRADING LEVEL #1	TRADING LEVEL #2	TRADING LEVEL #3	TRADING LEVEL #4	TRADING LEVEL #5
12/29/03	RBC-AI-M-8720	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(50,000.00)	N/A	ALLIANCE INVESTMENT MANAGEMENT, REC-MAN-8720					
1/22/03	BRT-SAL-4312	STERLING ASC, LTD	WIRE IN	TECH TRADERS, INC. (TT-7961)	90,813.00	VARIOUS	STERLING ACS, LTD., BRT-SAL-4312 (TT-7961)					
01/15/04	BAR-AI-M-2574	ALLIANCE INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(225,000.00)	N/A	ALLIANCE INVESTMENT MANAGEMENT, BAR-AM-2574					
01/16/04	BRT-SBL-4207	STERLING BANK, LTD.	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(1,200,000.00)	N/A	STERLING BANK, LTD., BRT-SBL-4207 (TT-7961)					
01/21/04	BRT-SAL-4312	STERLING ASC, LTD	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(200,000.00)	N/A	STERLING ACS, LTD., BRT-SAL-4312 (TT-7961)					
01/29/04	BRT-SIP-5084	STRATEGIC INVESTMENT PORTFOLIO	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(70,000.00)	N/A	STRATEGIC INVESTMENT PORTFOLIO, BRT-SIP-5084					
01/29/04	BRT-SAL-4312	STERLING ASC, LTD	WIRE IN	TECH TRADERS, INC. (TT-7961)	109,747.00	VARIOUS	STERLING ACS, LTD., BRT-SAL-4312 (TT-7961)					
02/02/04	BRT-SIP-5084	STRATEGIC INVESTMENT PORTFOLIO	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(59,000.00)	N/A	STRATEGIC INVESTMENT PORTFOLIO, BRT-SIP-5084					

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ANALYSIS OF STERLING CASH FLOW RELATED TO TECH TRADERS

DATE	ACCOUNT	ACCOUNT NAME	TYPE	STRADEERS	AMOUNT	USE OF FUNDS	BENEFICIARY OF FUNDS	ENTRY MAKING STRASBER	TRACING LEVEL #1	TRACING LEVEL #2	TRACING LEVEL #3	TRACING LEVEL #4	TRACING LEVEL #5
02/06/04	BBT-SIM-4835	STERLING INVESTMENT MANAGEMENT	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(621,973.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING INVESTMENT MANAGEMENT PORTFOLIO, BBT-SIP-4835	[PRIOR BAL. - \$1,547,111.00] 2/1/04 - STERLING BANK, LTD. (SBL-4207) WIRES (\$82,187,500) TO SIM-4835	[PRIOR BAL. - \$467,984.16] 1/30/04 - CHIANG ZE CAPITAL WIRES (\$301,219,077) TO SBL-4207 1/30/04 - RTZCKER INVESTMENTS WIRES (\$38,696,777) TO SBL-4207 2/03/04 - RTZCKER INVESTMENTS WIRES (\$20,042,081) TO SBL-4207 2/03/04 - CHIANG ZE CAPITAL WIRES (\$38,504,401) TO SBL-4207 2/03/04 - CARE IDH (\$825,000) TO SBL-4207 [ENDING BAL. - \$1,559,811.00]	SEE TRANS. NO. 43, TRACING LEVEL 3		
02/12/04	BBT-SIP-5084	STERLING INVESTMENT PORTFOLIO	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(113,778.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING INVESTMENT PORTFOLIO, BBT-SIP-5084	[PRIOR BAL. - \$1,048,200] 2/1/04 - STERLING CASUALTY & INSURANCE, SCL-4193 TRANSFERS (\$5,000) TO SIP-5084 2/12/04 - INVESTOR JOHNSON WIRES (\$8,778) TO SIP-5084 N/A	2/09/04 - SAN GUERIN DEPOSITS (\$5,000) TO SCL-193			
02/23/04	BBT-SAL-4312	STERLING ASC, LTD.	WIRE IN	TECH TRADERS, INC. (TT-7961)	65,000.00	227104 - HOWELL WOLITZ	TECH TRADERS, INC. (TT-7961)	TECH TRADERS, INC. (TT-7961)					
02/27/04	BBT-SIP-5084	STERLING INVESTMENT PORTFOLIO	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(180,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING INVESTMENT PORTFOLIO, BBT-SIP-5084	[PRIOR BAL. - \$395,501] 2/27/04 - INVESTOR HUBBARD WIRES (\$760,000) TO SIP-5084	CMP INVESTORS			
03/10/04	BOA-SBL-0199	STERLING BANK, LTD.	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(3,000,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING BANK, LTD. (SBL-6070)	[PRIOR BAL. - \$25,000] 2/25/04 - CMP FUND LIMITED PARTNERSHIP WIRES (\$7,998,000.00) TO SBL-6070				
03/15/04	BOA-SBL-6070	STERLING BANK, LTD.	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(3,000,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING BANK, LTD. (SBL-6070)	[PRIOR BAL. - \$5,022,988.89] 3/10/04 - BOB ROSS GARDNER WARREN AND RUDY PARTNERSHIP WIRES (\$1,959,000.00) TO SBL-6070 3/10/04 - BOB ROSS GARDNER WARREN AND RUDY PARTNERSHIP WIRES (\$1,959,000.00) TO SBL-6070 [ENDING BAL. - \$5,737,993.50]	[PRIOR BAL. - \$25,000] 2/25/04 - CMP FUND LIMITED PARTNERSHIP WIRES (\$7,998,000.00) TO SBL-6070			
03/17/04	BBT-SLA-3157	STERLING TRUST (ANSQUILLA), LTD.	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(95,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING TRUST (ANSQUILLA), LTD. - BBT-SLA-3157	[PRIOR BAL. - \$37,874.81] 3/17/04 - ROSENTHAL COLLINS WIRES (\$84,878,728) TO STA-3157 3/12/04 - STERLING BANK, LTD. (SBL-4207) WIRES (\$46,190) TO STA-3157 3/16/04 - STERLING TRUST (ANSQUILLA), LTD. (STA-3157) WIRES (\$46,190) TO STERLING ACS, LTD. (SAL-4312) [ENDING BAL. - \$112,553.53]				
03/19/04	BBT-SIP-5084	STERLING INVESTMENT PORTFOLIO	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(79,000.00)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING INVESTMENT PORTFOLIO, BBT-SIP-5084	[PRIOR BAL. - \$995,401] 3/12/04 - STERLING CASUALTY & INSURANCE, SCL-4193 WIRES (\$78,000) TO SIP-5084 3/16/04 - INVESTORS RAFF WIRE (\$20,028.89) TO SIP-5084 3/19/04 - INVESTORS RAFF WIRE (\$55,562.82) TO SIP-5084 [ENDING BAL. - \$152,500.62]	[PRIOR BAL. - \$3168.53] 3/20/04 - STERLING BANK, LTD. (SBL-4207) WIRES (\$95,000) TO SCL-4193 3/20/04 - MEES PIERSON INTERTRUST (JOSEPH BRICE) WIRES (\$20,000) TO SCL-4193			

U.S. CFTC v. Equity Financial Group, et al.

ANALYSIS OF STERLING CASH FLOW RELATED TO TECH TRADERS

TRANS NO.	DATE	ACCOUNT ID	ACCOUNT NAME	TYPE	TECH TRADERS	AMOUNT	USE OF FUNDS	BEVERLY HILLS TRADERS	ENTITY MAKING TRANSFER	TRACING - LEVEL #1	TRACING - LEVEL #2	TRACING - LEVEL #3	TRACING - LEVEL #4	TRACING - LEVEL #5
43	03/19/04	BBT-SIP-5084	STRATEGIC INVESTMENT PORTFOLIO	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(26,000,000)	N/A	TECH TRADERS, INC. (TT-7961)	STRATEGIC INVESTMENT PORTFOLIO, BBT-SIP-5084	INVESTORS RAEF - SEE TRANS. NO. 51, TRACING - LEVEL #2				
44	03/25/04	BBT-SIP-5084	STRATEGIC INVESTMENT PORTFOLIO	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(49,000,000)	N/A	TECH TRADERS, INC. (TT-7961)	STRATEGIC INVESTMENT PORTFOLIO, BBT-SIP-5084	INVESTORS RAEF - SEE TRANS. NO. 51, TRACING - LEVEL #2				
45	03/25/04	BOA-SBL-6070	STERLING BANK, LTD.	WIRE OUT	TECH TRADERS, INC. (TT-7961)	(3,050,000,000)	N/A	TECH TRADERS, INC. (TT-7961)	STERLING BANK, LTD., BBT-SBL-6070	SEE TRANS. NO. 49				

EXHIBIT D

PROPOSED ALLOWED STERLING INVESTOR CLAIMS

Name of Sterling Investor Claimant	Amount Invested (according to claim form)	Recommended Claim Amount	Previous Withdrawals From Tech Traders and Interim Distributions Made by Receiver	Transaction Number
John Caire	\$851,875.00	\$851,875.00	\$0.00	27, 44
CMP Fund	\$9,050,000.00	\$9,050,000.00	\$2,542,248.78	48, 49, 54
DRL Twenty Plus	\$1,200,000.00	\$1,200,000.00	\$337,093.76	39
Michael and Angela Hubbard	\$160,000.00	\$160,000.00	\$0.00	47
Luci Johnson	\$127,717.66	\$123,678.00	\$6,219.00	14, 34, 45; 18B, 23B, 32B
Walter Kells and Brigitte Pilgrim	\$70,000.00	\$45,000.00	\$0.00	36, 42
Bob Lansing	\$606,500.00	\$500,000.00	\$0.00	11
Susan Raef	\$36,720.83	\$36,720.83	\$0.00	51, 52, 53
Mary Raef	\$38,870.15	\$38,870.15	\$0.00	51, 52, 53

PROPOSED ALLOWED STERLING INVESTOR CLAIMS

Name of Sterling Investor Claimant	Amount Invested (according to claim form)	Recommended Claim Amount	Previous Withdrawals From Tech Traders and Interim Distributions Made by Receiver	Transaction Number
Entrust Bank, Ltd. (formerly Sterling Bank, Ltd.)	\$300,000.00	\$127,500.00	\$0.00	29, 30
Terry Sanderson	\$95,324.57	\$90,000.00	\$0.00	7
Samuel Currin - Sterling Casualty & Insurance	\$67,500.00	\$62,500.00	\$0.00	43, 45
Elmer Martin	Unspecified portion of \$2.3 million invested with Sterling Entities	\$75,000.00	\$0.00	31, 33
Patti and Gary Reiter	\$130,000.00	\$27,500.00	\$0.00	38
TOTALS:	\$12,734,508.21	\$12,388,643.98	\$2,885,561.54	

EXHIBIT E

PROPOSED DISALLOWED STERLING INVESTOR CLAIMS

Name of Sterling Investor Claimant	Funds Invested with Sterling (per claim form)	Funds Invested Traceable to Tech Traders	Reason for Objection	Receiver's Proposed Treatment
Greg Borsoi	\$130,000.00	\$0.00	Invested funds did not reach Tech Traders	Disallow claim
Samuel Currin - Oxford Corporation	\$26,595.00	\$0.00	Invested funds did not reach Tech Traders	Disallow claim
Mark Malinowski	\$55,463.00	\$0.00	Invested funds did not reach Tech Traders	Disallow claim
TOTALS:	\$212,058.00	\$0.00		

EXHIBIT F

Matthew H. Adler (MA-4720)
Jeffrey A. Carr (JC-1130)
Pepper Hamilton LLP
301 Carnegie Center
Suite 400
Princeton, NJ 08543
Tel: (609) 452-0808

**UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF NEW JERSEY**

**COMMODITY FUTURES TRADING)
COMMISSION,)**

Plaintiff,)

vs.)

Civil Action No.: 04CV 1512

**EQUITY FINANCIAL GROUP, LLC,)
TECH TRADERS, INC., TECH)
TRADERS, LTD., MAGNUM)
INVESTMENTS, LTD., MAGNUM)
CAPITAL INVESTMENTS, LTD.,)
VINCENT J. FIRTH, ROBERT W.)
SHIMER, COYT E. MURRAY, and J.)
VERNON ABERNETHY,)**

Honorable Robert B. Kugler

Defendants.)

**NOTICE OF MOTION OF EQUITY RECEIVER
REGARDING TREATMENT OF THE STERLING CLAIMS
AND THE CLAIMS OF STERLING INVESTORS**

**TO: THE STERLING ENTITIES THAT SUBMITTED CLAIM FORMS AND ALL
PERSONS WHO INVESTED FUNDS WITH STERLING ENTITIES AND
WHO RECEIVED CLAIM FORMS AND REQUESTS FOR INFORMATION
FROM THE RECEIVER IN THE ABOVE-CAPTIONED CASE**

Please take notice that on April 24, 2007, Stephen T. Bobo (the "Receiver"), the
Equity Receiver for Defendants Equity Financial Group, LLC, Tech Traders, Inc., Tech
Traders, Ltd., Magnum Investments, Ltd., Magnum Capital Investments, Ltd., Robert W.
Shimer, and Vincent J. Firth, filed a motion with this Court requesting authority to treat

the claims filed by the Sterling Entities as a single aggregated claim and to make distributions on account of such aggregated claim directly to persons who invested funds with the Sterling Entities and to Entrust Bank, Ltd, formerly known as Sterling Bank, Ltd. (the "Sterling Distribution Motion"). The Sterling Entities include Sterling ACS Ltd., Sterling Alliance Ltd., Sterling Bank Ltd., Sterling Casualty & Insurance Ltd., Sterling Investment Management Ltd., Sterling Trust (Anguilla) Ltd., and Strategic Investment Portfolio LLC. Copies of the claim distribution schedules (attached to the Sterling Distribution Motion as Exhibits D and E) are included with this notice. Copies of the complete Sterling Distribution Motion and related supporting documents are available on the Shasta Capital Associates, LLC website, which is www.shastacapitalassociates.com. Copies may also be obtained by requesting them from the Receiver's counsel, Raven Moore, Reed Smith LLP, whose address is 10 S. Wacker Drive, Chicago, IL 60606.

Please take further notice that in the Sterling Distribution Motion, the Receiver proposes satisfying the aggregated Sterling claim by distributing receivership funds on a pro rata basis directly to those Sterling investors whose claims are allowed by the Court. The Sterling investor claims recommended for allowance by the Receiver are listed on the schedule of Proposed Allowed Sterling Investor Claims attached hereto. The Receiver has also recommended that certain select Sterling investor claims not be allowed, and those claims are listed on the schedule of Proposed Disallowed Sterling Investor Claims attached hereto.

Please take further notice that the Court has fixed Friday, May 4, 2007 as the date by which any objection or other response to the Sterling Distribution Motion must be placed in writing with the name and number of the case prominently displayed on the

first page, signed and filed in duplicate with the Clerk of this Court, with a copy simultaneously served upon the Receiver. The address of the Clerk of the Court is:

Clerk of the Court
United States District Court for the District of New Jersey
Mitchell H. Cohen Federal Building & U.S. Courthouse
1 John F. Gerry Plaza
Camden, NJ 08101

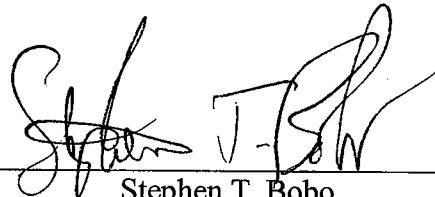
The Receiver's address is:

Stephen T. Bobo
REED SMITH LLP
10 S. Wacker Drive
Chicago, IL 60606

The Receiver will serve copies of all objections he receives to his motion on the parties to this case. The Receiver may file a reply no later than Friday, May 11, 2007 to any objections received. He will serve a copy of his reply upon any person who files an objection, as well as upon the parties in this case.

Ultimately, the Court will determine whether to adopt the Receiver's proposed treatment of the claims of the Sterling Entities and the Sterling investors. The return date for the Receiver's motion is Friday, May 18, 2007, which is the date by which the Court may rule on this Motion. If the Court determines that a hearing is necessary to resolve these claims, the Receiver will provide notice to the Sterling Entities that submitted claim forms to the Receiver and all persons who filed a response to the Receiver's motion, as well as to the parties in this case.

Dated: April 24, 2007



Stephen T. Bobo
Equity Receiver