

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings and other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THIS FORM.)

I (a) PLAINTIFFS

IN RE: Letter of Request from the Isle of Man for Assistance in the Criminal Matter of Neville Michael Gothold

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF (EXCEPT IN U.S. PLAINTIFF CASES)

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)
LISA HUESTIS
Assistant United States Attorney
219 South Dearborn St., Suite 5000
Chicago, Illinois 60604
312/353-5327

DEFENDANTS

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED

ATTORNEYS (IF KNOWN)

JUDITH CANNOLIO

II. BASIS OF JURISDICTION (PLACE AN X IN ONE BOX ONLY)

- U.S. Government Plaintiff
- 2 U.S. Government Defendant
- 3 Federal Question (U.S. Government Not a Party)
- 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (PLACE AN X IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)

- | | | | |
|---|---|---|---|
| Citizen of This State | <input type="checkbox"/> 1 <input type="checkbox"/> 1 | Incorporated or Principal Place of Business in This State | <input type="checkbox"/> 4 <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 <input type="checkbox"/> 2 | Incorporated and Principal Place of Business in Another State | <input type="checkbox"/> 5 <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 <input type="checkbox"/> 6 |

IV. CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE. DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)

28 U.S.C. § 1782

V. NATURE OF SUIT (PLACE AN X IN ONE BOX ONLY)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Millor Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 362 Personal Injury—Med Malpractice <input type="checkbox"/> 365 Personal Injury—Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input checked="" type="checkbox"/> 890 Constitutional of State Statutes Other Statutory Actions
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS	FEDERAL TAX SUITS	
<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights	<input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	

VI. ORIGIN (PLACE AN X IN ONE BOX ONLY)

- 1 Original Proceeding
- 2 Removed from State Court
- 3 Remanded from Appellate Court
- 4 Reinstated or Reopened
- 5 Transferred from another district (specify)
- 6 Multidistrict Litigation
- 7 Appeal to District Judge from Magistrate Judgment

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DEMAND \$

Check YES only if demanded in complaint: JURY DEMAND: YES NO

VIII. REMARKS

In response to is not a refiling of a previously dismissed action General Rule 2.21D(2) this case is a refiling of case number _____ of Judge _____

DATE SIGNATURE OF ATTORNEY OF RECORD

Lisa Huestis 8/9/96

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

FILED-ED4
96-AUG-16 PM 2:28

IN RE: Letter of Request from the
Isle of Man for Assistance
in the Criminal Matter of
Neville Michael Gothold

RECEIVED
AUG 16 1996
US DISTRICT COURT
No. JUDGE CASTELLO

APPLICATION FOR ORDER PURSUANT TO
TITLE 28, UNITED STATES CODE, SECTION 1782

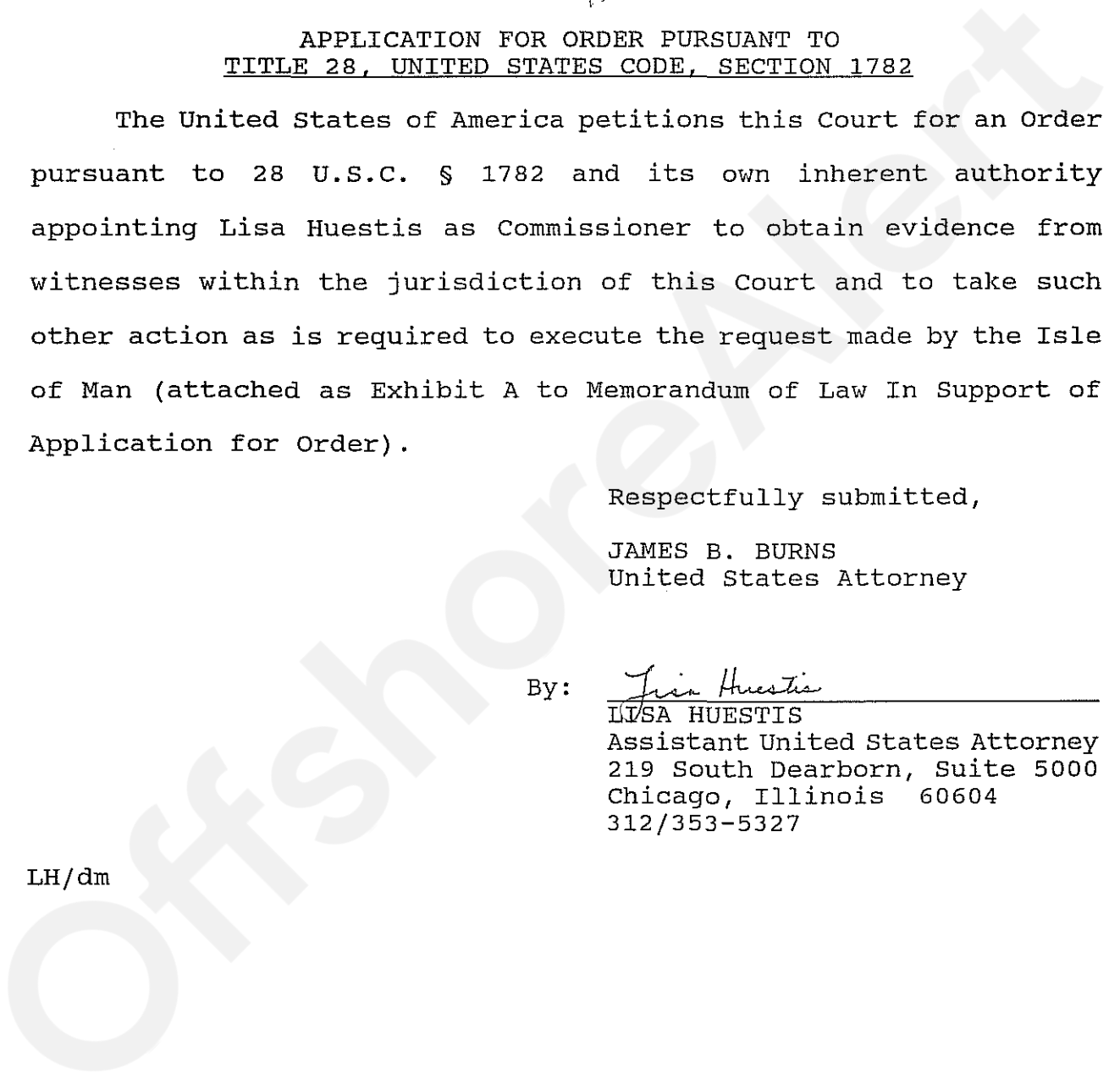
The United States of America petitions this Court for an Order pursuant to 28 U.S.C. § 1782 and its own inherent authority appointing Lisa Huestis as Commissioner to obtain evidence from witnesses within the jurisdiction of this Court and to take such other action as is required to execute the request made by the Isle of Man (attached as Exhibit A to Memorandum of Law In Support of Application for Order).

Respectfully submitted,

JAMES B. BURNS
United States Attorney

By: Lisa Huestis
LISA HUESTIS
Assistant United States Attorney
219 South Dearborn, Suite 5000
Chicago, Illinois 60604
312/353-5327

LH/dm



1

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

FILED-ED4

96 AUG 14 PM 2:28

IN RE: Letter of Request from the
Isle of Man for Assistance
in the Criminal Matter of
Neville Michael Gothold

MAILED
AUG 16 1996

96-800
No. 5039
DISTRICT COURT

JUDGE CASTLE

MEMORANDUM OF LAW IN SUPPORT OF APPLICATION FOR ORDER

This memorandum is submitted in support of the application of the United States for an order requiring persons within the jurisdiction of this Court to provide testimony and evidence requested by the Attorney General, Isle of Man Central Authority, and appointing a Commissioner to collect it. The application is based upon the attached Letter of Request (Exhibit A).

As set forth in the Letter of Request, the Attorney General, Isle of Man Central Authority, has commenced a criminal investigation in the Isle of Man. The investigation has revealed that a company named Finrod Investments Limited ("Finrod") sold a futures trading report called the Commtrae Report, Finrod was represented by Neville Michael Gothold.

An individual named Mr. Peterson subscribed to the Commtrae Report and as a result of verbal and written representations made by Gothold, invested \$328,000 with Finrod for commodities trading.

Mr. Peterson failed to receive profits from trading in April 1995. Gothold informed Peterson that he had misappropriated the funds and used them to trade for his own account. Gothold stated that he had transferred some of the funds to an account in his name at the Harris Trust and Savings Bank and that the money was used (and lost) trading and gambling. Further investigation has

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revealed that Finrod Investment traded futures contracts through the First American Discount Corporation in Chicago.

The Isle of Man investigation focuses on the offense of obtaining property by deception and theft. The Attorney General has requested assistance in obtaining testimony and documents relating to the investigation from the Harris Trust & Savings Bank and the First American Discount Corporation.

This Court, pursuant to its statutory and inherent authority, may (1) order that persons within this district shall provide the evidence requested for use in a proceeding in a foreign country, (2) appoint a person to gather such evidence, and (3) establish the procedure pursuant to which the evidence requested shall be produced.

1. Authority to grant a foreign request for assistance

Title 28, Section 1782, provides in pertinent part that:

The district court of the district in which a person resides or is found may order him to give his testimony or statement or to produce a document or other thing for use in a proceeding in a foreign . . . tribunal. The order may be made pursuant to a letter rogatory issued, or request made, by a foreign . . . tribunal or upon the application of any interested person

Section 1782 was enacted:

. . . to improve United States judicial procedures for . . . obtaining evidence in the United States in connection with proceedings before foreign and international tribunals"

Sen. Rep. No. 1580, 88th Cong., 2d Sess. 1 (1964), reprinted in 1964 U.S. Code Cong. & Admin. News 3782 [hereinafter 1964

U.S.C.C.A.N.]. By enacting Section 1782, Congress reaffirmed the inherent authority of district courts to grant foreign judicial assistance. In re Request for Assistance from Ministry of Legal Affairs of Trinidad and Tobago, 648 F. Supp. 464 (S.D. Fla. 1986), aff'd 848 F.2d 1151, 1154 (11th Cir. 1988), cert. denied, 488 U.S. 1005 (1989) [hereinafter Trinidad and Tobago]. More significantly, its enactment reflected Congress' desire to increase the power of district courts to respond to foreign requests. In re Letters of Request from the Tokyo District, Tokyo, Japan, 539 F.2d 1216, 1218 (9th Cir. 1976) [hereinafter Japan I]. In sum, Section 1782 is a Congressional invitation to district courts to affirmatively act to execute foreign requests for judicial assistance.

a. Source of the foreign request for assistance

Foreign requests for judicial assistance may be made by a foreign court or tribunal, including an investigating magistrate or juge d'instruction, In re Letter of Request from the Government of France, 139 F.R.D. 588, 590-591 (S.D. N.Y. 1991) [hereinafter France]; In re Letter of Request for Judicial Assistance from the Tribunal Civil de Port-Au-Prince, Republic of Haiti, 669 F.Supp. 403, 405-406 (S.D. Fla. 1987) [hereinafter Haiti]. Foreign requests may also be made by "any interested person," such as a foreign legal affairs minister or public prosecutor. In re: Letters of Request from the Tokyo District Prosecutor's Office, Tokyo, Japan, 16 F.3d 1016 (9th Cir. 1994) [hereinafter Japan II]; In re Letter of Request from the Crown Prosecution Service of the United Kingdom, 870 F.2d 686, 690 (D.C. Cir. 1989) [hereinafter

United Kingdom]; Trinidad and Tobago, 648 F.Supp. at 466-67.

b. Purpose for the foreign request for assistance

Foreign requests for judicial assistance must be for the purpose of securing evidence "for use in a proceeding in a foreign . . . tribunal." This includes evidence needed in proceedings before investigating magistrates as well as in proceedings before conventional courts. 1964 U.S.C.C.A.N. at 3788; Haiti, 669 F.Supp. at 405-406. Section 1782 contemplates that district courts will facilitate evidence gathering prior to litigation; Congress amended Section 1782 to eliminate the need for a "pending" proceeding with the intention of expanding the availability of U.S. judicial procedures for obtaining evidence in the United States in connection with proceedings before foreign tribunals. Even so, where no proceeding before a foreign tribunal is currently pending, district courts should consider whether a proceeding can reasonably be expected to commence. As Judge (now Justice) Ginsburg explained:

[To] guard against abuse of Section 1782, the district court must insist on reliable indications of the likelihood that proceedings will be instituted within a reasonable time.

United Kingdom, 870 F.2d at 692¹

¹ The several circuit courts that have focused on the proximity to a proceeding before a foreign tribunal that should exist before a district court provides assistance under Section 1782 have produced no single standard. In re Request for International Judicial Assistance (Letter Rogatory) for the Federative Republic of Brazil, 936 F.2d 702, 707 (2d Cir. 1991) [hereinafter Brazil] (proceeding must be "imminent"); United Kingdom, 870 F.2d at 690 (proceeding must be "reasonably contemplated"); Trinidad and Tobago, 848 F.2d at 1154-56 (proceeding must be "very likely to occur"). See also Japan I, 539

2. Authority to appoint a commissioner

Section 1782 further provides in pertinent part:

The district court . . . may direct that the testimony or statement [of a person who resides or is found within the district] be given or the document or other thing be produced, before a person appointed by the court.

A district court customarily appoints or "commissions" a person ("commissioner") to collect evidence on behalf of the district court and authorizes the commissioner to submit the evidence collected to the requesting foreign court or authority. With requests for assistance in criminal matters, a district court typically appoints an Assistant United States Attorney as commissioner. However, a district court also may commission a foreign authority together with (or in lieu of) an Assistant United States Attorney. See, e.g., In re Letter of Request from the Supreme Court of Hong Kong, 138 F.R.D. 27, 29 (S.D. N.Y. 1991) [hereinafter Hong Kong].

Application to a district court for appointment of a commissioner to execute a foreign request for judicial assistance is handled ex parte. United Kingdom, 870 F.2d at 688; Japan I, 539 F.2d at 1219.

3. Authority to establish the evidence-collecting procedure

Section 1782 further provides in pertinent part that:

To the extent that the order does not

F.2d at 1218 (assistance requested "for use in completion of the investigation and in future trials").

prescribe otherwise, the testimony or statement shall be taken, and the document or other thing produced, in accordance with the Federal Rules of Civil Procedure.

A district court empowers a commissioner to collect the evidence using the procedure prescribed by the court. A district court has "complete discretion in prescribing the procedure to be followed." 1964 U.S.C.C.A.N. at 3789. When a district court's order fails to specify a procedure by which a commissioner is to collect the evidence, the Federal Rules of Civil Procedure apply. Japan II, 16 F.3d 1016; Hong Kong, 138 F.R.D. at 32. However, as Section 1782 makes clear, when a district court does specify a procedure other than one in accordance with the Federal Rules of Civil Procedure, the alternative procedure shall apply. France, 139 F.R.D. at 590-591.

a. Commissioner's subpoena

If a district court so orders, a commissioner may use the attached form, entitled commissioner's subpoena, to obtain the requested evidence. See, e.g., United States v. Erato, 2 F.3d 11, 12-13 (2d Cir. 1993) (incorporating in pertinent part the district court's order directing the use of commissioner's subpoenas). The commissioner's subpoena is a creation of neither the Federal Rules of Criminal Procedure nor the Federal Rules of Civil Procedure, but is an order of the district court for the production of evidence in accordance with Section 1782. See 28 U.S.C. 1651. Upon authorization by a district court, a commissioner may issue such commissioner's subpoenas as are necessary to execute the request in the relevant district.

b. Notice of evidence taking

If a district court so orders, a commissioner may collect the evidence in accordance with procedures -- including those involving notice -- requested by the requesting court or authority. In the absence of a request for a specific procedure, a district court can assume that the requesting court or authority has provided such notice as the foreign law requires, or that the foreign law does not require notice and the requesting court or authority does not consider notice to be necessary or useful. In sum, if the requesting state has not requested notice, no notice need be provided. Accordingly, to the extent that a request does not ask for specific notice procedures, a district court should authorize a commissioner to take the evidence without notice to any party other than the recipient of the commissioner's subpoena.

4. The Present Request

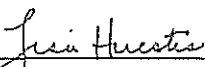
Based upon the facts set forth in the Letter of Request from the Attorney General, Isle of Man General Authority, the request is clearly one contemplated by Congress when, in enacting Section 1782, it expanded the authority of federal courts to assist foreign tribunals.

Congress intended that the United States set an example to other nations by making judicial assistance generously available. Trinidad and Tobago, 848 F.2d at 1153-54. Accordingly, the government asks this Court, in the interests of comity, to issue the attached order under Section 1782 granting assistance for a proceeding in the Isle of Man, appointing Assistant United States

Attorney Lisa Huestis as commissioner, and authorizing her to take the actions necessary, including the issuance of commissioner's subpoenas, to collect the evidence requested and to adopt such procedures in the receipt of the evidence as are consistent with the intended use thereof in the Isle of Man.

Respectfully submitted,

JAMES B. BURNS
UNITED STATES ATTORNEY



LISA HUESTIS
Assistant United States Attorney

Telephone: (01624) 685452

Fax: (01624) 629162



ATTORNEY GENERAL'S CHAMBERS,

DOUGLAS,

ISLE OF MAN,

IM1 3PP.

Our Ref:

Your Ref:

TO THE COMPETENT JUDICIAL AUTHORITIES OF
THE UNITED STATES OF AMERICA

JOHN MICHAEL KERRUISH, Her Majesty's Attorney General for the Isle of Man, presents his compliments to the competent Judicial Authorities of the United States of America and has the honour of informing them of the following facts:-

I will have the conduct of the criminal proceedings arising out of the matters set out below and the duty of acquiring evidence is imposed on the Isle of Man Constabulary.

The Fraud Investigation Department of the Isle of Man Constabulary is investigating a complaint received from a resident of the Principality of Andorra.

As a result of seeing advertisements placed in the International Herald Tribune newspaper and on CNN TV teletext, in September 1994 Mr. Peterson subscribed to a Futures trading report called the Commtrac Report. The Commtrac Report issued buy and sell signals on approximately seventy Futures contracts in commodities and financial instruments. The Commtrac Report was sold through a company administered in the Isle of Man called Finrod Investments Limited. The said company is incorporated in the Bahamas.

Finrod Investments Limited were always represented by a man who introduced himself as Mr. Jeff Holt. It has subsequently been discovered that Mr. Holt is in fact a Mr. Neville Michael Gothold, born 6th March 1960 in London, who was adjudged bankrupt in 1988. Gothold remains undischarged from his bankruptcy in England.

Having subscribed to the Commtrac Report for a short period of time, as a result of both written and verbal assurances given to him by Mr. Gothold (Holt), Mr. Peterson decided to begin trading in Futures contracts upon the signals generated by the Commtrac Report. Mr. Peterson made two separate investments of US\$ 164,000 (a total of US\$328,000) to Finrod Investments Limited, and had his money forwarded to a bank account held in the company name at the Royal Bank of Scotland (IOM) Limited, Douglas, Isle of Man.

It appeared to Mr. Peterson that his capital was being used as he wished, that is to trade in Futures Contracts. However, in early April 1995, Mr. Peterson failed to receive his profits of US\$ 16,633 for the trading month of March 1995. Subsequently, after a number of excuses offered by Mr. Gothold (Holt), on 26th June 1995 Mr. Gothold (Holt) travelled to Andorra and spoke in person with Mr. Peterson. This was the first occasion on which Mr. Peterson and Mr. Gothold (Holt) had met in person.

At this meeting Mr. Gothold (Holt) admitted that he had intended and planned, prior to having received Mr. Peterson's capital, to misappropriate such monies and to use them to trade Futures contracts for his own account. He admitted using Mr. Peterson's capital to trade his own account in accordance of the signals generated by the Commtrac Report and to using a false name. Gothold said that after a short period of time he had ceased buying and selling Futures contracts in accordance of the Commtrac Report, and instead continued to trade Futures contracts of his own choice. In doing this he had quickly ended up on the wrong side of the market and sustained

heavy losses. He further admitted having transferred Mr. Peterson's monies without his consent or knowledge to the Bank of New York, New York City, and then onward to the Harris Trust and Savings Bank, Chicago, United States of America where the funds were held to his order. This contradicted a written assurance that Finrod Investments Limited and Mr. Gothold (Holt) had given to Mr. Peterson that his capital would be held to his instruction at the Royal Bank of Scotland in the Isle of Man. Also, he told Mr. Peterson that he had lost US\$ 60,000 of his money through gambling whilst in Las Vegas, Nevada, USA and that he had used the remainder of Peterson's money to pay his living expenses.

I am informed that Gothold's UK passport has a US entry stamp dated 15th May 1995 and that he was registered as a guest at the MGM Grand Hotel in Las Vegas in May 1995. Gothold was registered and checked in through the hotel's Casino Services VIP Department. Gothold has a UK passport number 011201732 issued on 19th October 1993.

In addition inquiries have revealed that Gothold was also registered as a resident at the Flamingo Hilton Hotel, Las Vegas in May 1995.

At the meeting in Andorra Gothold had told Peterson that he intentionally failed to report to the US Customs a large sum of cash which he had brought into the USA on his Las Vegas visit. Documents have been recovered that show Gothold collected US\$40,000 in cash from the Royal Bank of Scotland, 119 Marylebone Road, London on the 12th May 1995.

Inquiries with Mr. Steve Pozzi of the Nevada Gaming Control Board have revealed that information is available concerning the losses incurred by Gothold, but that this information is not available to the Public and that an appropriate access order should be obtained.

Abchurch Corporate Services Limited, Celtic House, Victoria Street, Douglas, Isle of Man, administered Finrod Investments Limited on behalf of Gothold. Consolidated statements of account and statements of monthly activity recovered from this office show that Finrod Investments Limited did trade in Futures contracts with the First American Discount Corporation, Chicago, Illinois between October 1994 and the end of May 1995, under account number "114 1 70031 23556". An example of such a statement is enclosed (Appendix "A").

Gothold has previously stated that the Commtrac Report to which the aggrieved party subscribed is a modified version of a US based proprietary Futures trading system named Commodex.

Mr. Gothold (Holt) is not aware of the Police investigation and at the end of April 1996 was at 32 Shirehall Park, London NW4. It is imperative that none of the institutions subject of this request alert Mr. Gothold to the Police investigation.

There are reasonable grounds for suspecting that offences of obtaining property by deception contrary to Section 14 of the Theft Act 1981 and/or theft contrary to Section 1 of the Theft Act 1981 have been committed by him.

Section 14(1) of the Theft Act, 1981 states that ... "A person who by any deception dishonestly obtains property belonging to another with the intention of permanently

depriving the other of it, shall, on conviction on information, be liable to imprisonment for a term not exceeding ten years" ...

Section 14(2) of the Theft Act, 1981 states that ... "For the purposes of this section, a person is to be treated as obtaining property if he obtains ownership, possession or control of it, and obtain includes obtaining ownership for another or enabling another to obtain or to retain"...

Section 14(4) of the Theft Act 1981 states that ... "For the purposes of this section, deception means any deception (whether deliberate or reckless) by words or conduct as to fact or as to law, including a deception as to the present intentions of the person using the deception or any other person"...

Section 1(1) of the Theft Act 1981 states that ... "A person is guilty of theft if he dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it" A person convicted of such an offence is liable to imprisonment for a term not exceeding ten years.

Section 4(1) of the Theft Act 1981 states that ... "Property includes money and all other property, real or personal, including things in action and other intangible property" ...

The competent Court to hear these criminal offences is the Court of General Gaol Delivery sitting at Douglas, Isle of Man.

The investigating officer from the Isle of Man Constabulary Fraud Investigation Department is Detective Constable Colin Crennell who can be contacted at Police Headquarters, Douglas, Isle of Man (Telephone Number 01624 631212 extension 1341).

In order to assist with the aforementioned investigation it is requested that the competent Judicial Authorities of the United States of America give permission for Detective Constable Crennell and his colleague Detective Constable Simon Lowe to travel to the United States in order that evidence can be obtained from witnesses. Each of the witnesses appear to have evidence which is not available without an appropriate access Order.

It is requested that statements of witness together with associated exhibits be obtained from the following -:

1. A responsible official of the Harris Trust and Savings Bank, 111 West Munro Street, Chicago, Illinois, 60603. It is requested that evidence be obtained from this bank in relation to any accounts or sub accounts held in the name of Finrod Investments Limited, Jeff HOLT or Neville Michael GOTHOLD, or any accounts that GOTHOLD or HOLT have or had control over or are or were signatories to. In particular evidence is sought from a sub account styled Finrod Investments Limited, under the First American Discount Corporation, Segregated Funds account, numbered 257-735-1. Find enclosed two documents that show transactions relating to that account (Appendix "B").

In addition evidence obtained from the Royal Bank of Scotland in the Isle of Man show credits from the aforementioned account at the Harris Trust and Savings Bank, Chicago to the Finrod Investments account held at that branch.

The material evidence in respect of which this application is made is :- statements of account, cheques, credit documents, transfer documents and payment orders, Manager's notes, ledgers, inter-account transfers, telegraphic or wire transfers and account correspondence.

2. A responsible official of the First American Discount Corporation, 216 West Jackson, Suite 350, Chicago, Illinois, 60606. Mr. Paul Horvath, director of compliance with the Corporation has indicated that he has some personal knowledge of the Finrod Investments Limited account. It is requested that historical consolidated statements of account and statements of monthly activity in respect of Finrod Investments Limited be obtained. An example statement of monthly activity is enclosed at Appendix "A". Information concerning trading instructions, brokers used to trade such instructions and general trends concerning profit or loss on the account are sought.

3. A responsible official of the Nevada Gaming Control Board in order to obtain the information held by the said Board in respect of any losses incurred by Neville Michael GOTHOLD alias Jeff Holt. I am informed that formal application should be made to Mr. Bruce Gates, Nevada Gaming Control Board, 555 East Washington Avenue, Suite 2600, Las Vegas, Nevada, 89101.

4. A responsible official of the MGM Grand Hotel, Las Vegas, Nevada. Evidence is sought to show that Gothold was either resident and/or registered with the Casino Services VIP Department at the hotel in May 1995. In addition evidence is sought concerning his activities at the hotel including how he settled his account. It is understood that Gothold paid all expenses in cash. Evidence is sought from Casino records if such exist.

5. A responsible official of the Flamingo Hilton Hotel, Las Vegas, Nevada. Evidence is sought to show that Gothold was registered at the hotel in May 1995. Again, evidence is sought concerning his activities at the hotel including any loose spending and how expense accounts were settled. Evidence is sought from Casino records at this hotel if such records exist. I am informed that Mr. Chuck Berry at the Corporate Security Office has access to records and has given his name as a point of contact.

In order to make the statements of evidence admissible in criminal proceedings in the Isle of Man, such statements should include the following :

(a) a declaration by the maker thereof that "it is true to the best of his/her knowledge and belief".

(b) in respect of computer produced records, a Certificate similar to that contained at Appendix "C".

(c) in respect of business records, a declaration that the documents produced were created or received by the maker in the course of the maker's business, and that the information contained therein was supplied directly or indirectly by a person who had or may reasonably be supposed to have had personal knowledge of the matters dealt with, and where the information was supplied indirectly each person through whom it was supplied received it in the course of the said business. Furthermore, that the maker cannot reasonably be expected, having regard to the time elapsed since he made the statement and to all the circumstances, to have any recollection of the matters dealt with in the statement.

It is requested that the material obtained be forwarded to me as soon as possible.

I can assure the competent Judicial Authorities of the United States of America that the Isle of Man Authorities would co-operate fully in executing similar requests made to them by the Judicial Authorities of the United States of America.

In thanking the competent Judicial Authorities of the United States of America in advance for their co-operation in this case, Her Majesty's Attorney General avails himself of this opportunity to renew them the assurance of his highest consideration.



J.M. KERRUISH

Her Majesty's Attorney General for the Isle of Man.

Dated the 5th day of June, 1996

NO TERMS AND CONDITIONS ON REVERSE SIDE

FIRST AMERICAN DISCOUNT CORPORATION

RETAIN FOR TAX RECORDS

216 WEST JACKSON, SUITE 350
CHICAGO, ILLINOIS 60606
PHONE: (800) 621-4415
FAX: (312) 368-9058

DATE
DEC 30, 1994

ACCOUNT NUMBER
114 1 70031 23556

STATEMENT OF MONTHLY ACTIVITY

FINROD INVESTMENTS, LTD

PO BOX 204
CELTIC HOUSE VICTORIA ST
DOUGLAS ISLE MAN

	BOUGHT		COMMODITY / OPTION DESCRIPTION	TRADE PRICE	AMOUNT	
	LONG	SHORT			DEBIT	CREDIT
94			BALANCE			40,549.49
94	EXCH	SERVI	CE FEE ADJ - NIGHT CHARGES 12/1	ADJ	5.00	
94	EXCH	SERVI	CE FEE ADJ	ADJ	5.00	
94	EXCH	SERVI	CE FEE ADJ	ADJ	5.00	
94	EXCH	SERVI	CE FEE ADJ	ADJ	29.00	
94			CME FEE 11/30	ADJ	29.00	
94			FTSE COMM 11/30	ADJ	60.00	
94			ECU COMM 11/30	ADJ	15.00	
94	5	5	DEC94 WHEAT	PES		908.74
94	1	1	DEC94 J-YEN	PES		1,370.94
94	1	1	DEC94 S&P INDEX	PES		2,483.44
94	2	2	MAR95 T-BILLS	PES		4,661.88
94	1	1	DEC94 KC VALUE L	PES		1,983.94
94	2	2	FEB95 NY CRUDE	PES	255.72	
94	1	1	FEB95 NATURAL GAS	PES		1,582.14
94	2	2	FEB95 UNLEAD GAS	PES	623.72	
94	EXCH	SERVI	CE FEE ADJ	ADJ	52.50	
94	EXCH	SERVI	CE FEE ADJ	ADJ	5.00	
94			DEC CAC 40 12/1	ADJ	15.00	
94			DEC FTSE 12/1	ADJ	127.50	
94			DEC FTSE 250 12/1	ADJ	15.00	
94			MAR GILT 12/1	ADJ	15.00	
94	5	5	DEC94 WHEAT	PES		483.74
94	10	10	MAR95 CORN	PES	332.52	
94	2	2	MAR95 TNOTE 10YR	PES	720.02	
94	2	2	DEC94 NYSE INDEX	PES	1,284.62	
94	2	2	DEC94 NEW BPCUND	PES		341.88
94	1	1	DEC94 CMX GOLD	PES		682.30
94	2	2	JAN95 2X4 LUMBER	PES	2,881.72	
94	1	1	DEC94 KC VALUE L	PES		2,583.94
94	EXCH	SERVI	CE FEE ADJ	ADJ	5.00	
94	EXCH	SERVI	CE FEE ADJ	ADJ	10.00	
94	EXCH	SERVI	CE FEE ADJ	ADJ	12.50	
94	EXCH	SERVI	CE FEE ADJ	ADJ	5.00	
94	EXCH	SERVI	CE FEE ADJ	ADJ	5.00	
94			CRUDE 12/2	ADJ	15.00	
94			FEB TAL 12/2	ADJ	34.00	
94			FEB NICKEL 12/2	ADJ	102.00	
94			FEB TIN 12/2	ADJ	34.00	
94			DEC FTSE 12/2	ADJ	30.00	
94			COMM FEB CRUDE	ADJ	15.00	
94			COMM 5 DEC FTSE 250	ADJ	37.50	
94			MAR ECU 12/2	ADJ	15.00	
94	1	1	MAR95 T-BONDS	PES		983.74
94	1	1	MAR95 MONT INDEX	PES		2,952.44
94	1	1	MAR95 US INDEX	PES		1,082.34
94	1	1	DEC94 EURO DOLLAR	PES		808.44
94	2	2	MAR95 CME NIKKEI	PES	3,133.12	
94	2	2	FEB95 PK BELLIES	PES		1,366.8
94	EXCH	SERVI	CE FEE ADJ	ADJ	5.00	
94	EXCH	SERVI	CE FEE ADJ	ADJ	7.50	
94	EXCH	SERVI	CE FEE ADJ	ADJ	7.50	
94	EXCH	SERVI	CE FEE ADJ	ADJ	5.00	
94	EXCH	SERVI	CE FEE ADJ	ADJ		5.00
94	EXCH	SERVI	CE FEE ADJ	ADJ		5.00
94	EXCH	SERVI	CE FEE ADJ	ADJ		18.00

SEE TO TERMS AND CONDITIONS ON REVERSE SIDE

FIRST AMERICAN DISCOUNT CORPORATION

216 WEST JACKSON, SUITE 350
 CHICAGO, ILLINOIS 60606
 PHONE: (800) 621-4415
 FAX: (312) 368-9058

RETAIN FOR TAX RECORDS

DATE
 DEC 30, 1994

ACCOUNT NUMBER
 114 1 70031 23556

STATEMENT OF MONTHLY ACTIVITY

FINROD INVESTMENTS LTD

PO BOX 2045
 CELTIC HOUSE, VICTORIA ST
 DOUGLAS ISLE MAN

DATE	BOUGHT		COMMODITY/OPTION DESCRIPTION	TRADE PRICE	AMOUNT	
	LONG	SHORT			DEBIT	CREDIT
			OPEN POSITIONS * * * * *			
2-94	1		MAR95 NYSE INDEX	253.85	253.85	
			OPEN TRADE EQUITY			253.85
2-94	3		MAR95 A-DOLLAR	772.00	2,316.00	
			OPEN TRADE EQUITY			2,316.00
2-94	2		MAR95 CANADA DOL	720.00	1,440.00	
			OPEN TRADE EQUITY			1,440.00
2-94	2		JUN95 J-YEN	1,032.00	2,064.00	
			OPEN TRADE EQUITY			2,064.00
8-94	3		MAR95 CHE NIKKEI	976.00	2,928.00	
			OPEN TRADE EQUITY			2,928.00
1-94	2		MAR95 SEP INDEX	460.75	921.50	
			OPEN TRADE EQUITY			921.50
8-94		2	MAR95 CMX HI-GRD	129.00		4,800.00
1-94		2	MAR95 CMX HI-GRD	132.00		3,300.00
4-94		2	MAR95 CMX HI-GRD	133.50		2,550.00
2-94		2	MAR95 CMX HI-GRD	136.10		1,250.00
		8	OPEN TRADE EQUITY			11,900.00
2-94	4		FEB95 CMX GOLD	383.70	1,534.80	
			OPEN TRADE EQUITY			1,534.80
5-94	2		MAY95 NY SILVER	470.00	940.00	
			OPEN TRADE EQUITY			2,770.00
3-94	2		FEB95 CATTLE	69.35	1,387.00	
			OPEN TRADE EQUITY			2,260.00
4-94	2		FEB95 HOGS	72.67 1/2	1,453.50	
			OPEN TRADE EQUITY			2,000.00
1-94	2		FEB95 BPK BELLIES	39.45	789.00	
			OPEN TRADE EQUITY			1,540.00
6-94	2		MAR95 FEEDER	70.90	1,418.00	
			OPEN TRADE EQUITY			1,125.00
8-94	4		FEB95 NY L CRUDE	17.63	705.20	
			OPEN TRADE EQUITY			520.00
8-94	2		FEB95 HEAT OIL #2	50.00	1,000.00	
			OPEN TRADE EQUITY			1,033.20
9-94	4		FEB95 UNLEAD GAS	51.23	2,049.20	
			OPEN TRADE EQUITY			201.60
10-94	1		MAR95 PALLADIUM	156.75	156.75	
10-94	2		MAR95 PALLADIUM	157.00	314.00	
		3	OPEN TRADE EQUITY			650.00
			TOTAL OPEN TRADE EQUITY			1,000.00
			TOTAL EQUITY			4,546.60
			* * * * *			190,745.40
			* * * * *			
1/95		80,000	T-BILL 5.00			79,033.80

'B'



Abchurch Corporate Services Limited

P.O. Box 204 Celtic House Victoria Street
Douglas Isle of Man IM99 1QZ British Isles
Tel: 01624-662262 (Int) 44-1624-662262 Fax: 01624-662272 (Int) 44-1624-662272

Our ref: POD/Finrod

Fax / H.L.S.

27th October 1994

FOR THE ATTENTION OF WENDY

Royal Bank of Scotland
Victory House
Prospect Hill
Douglas
Isle of Man

Dear Wendy,

FINROD INVESTMENTS LIMITED A/C NO.13844574 (US\$ NO.2)

Please arrange the following transfer from the above account:

BANK	HARRIS TRUST AND SAVINGS BANK CHICAGO IL 60603 USA
ABA#	071-000-288
ACCOUNT	FIRST AMERICAN DISCOUNT CORPORATION, SEGREGATED FUNDS
ACCOUNT NO:	257-735-1
SUB-ACCOUNT	FINROD INVESTMENTS LIMITED
AMOUNT	US\$100,000

If you have any queries please contact Paraic O'Dowd.

Yours sincerely,
FOR AND ON BEHALF OF
ABCHURCH CORPORATE SERVICES LIMITED

Paraic O'Dowd
AUTHORISED SIGNATORY

M. J. M.
AUTHORISED SIGNATORY



Abchurch Corporate Services Limited 'B'

P.O. Box 204 Celtic House Victoria Street
Douglas Isle of Man IM99 QZ British Isles

Tel: 01624-662262 (Int) 44-1624-662262 Fax: 01624-662272 (Int) 44-1624-662272

Our Ref MN/LH

28 December 1994

Mr Neville Gothold
Victory House
Prospect Hill
Douglas
Isle of Man

Dear Mr Gothold

Please effect the following transfer:


Amount: US \$ 140,000
Bank: Harris Trust and Savings Bank, Chicago, Illinois, 60603
ABA: #071-000-288
For credit of: First American Discount Corporation Segregated funds
Account # 257-735-1.

For further credit of Finrod Investments Limited.

Should you have any queries please do not hesitate to contact me at our offices.

Yours sincerely
FOR AND ON BEHALF OF
ABCHURCH CORPORATE SERVICES LIMITED


MARTIN NEVILLE
MANAGING DIRECTOR


DAVID KARRAN

CERTIFICATE OF EVIDENCE FROM COMPUTER RECORDS

(a) I,
identify the following document(s):-

(b) These documents were produced by a

..... (type and model) computer, and by a
printer attached to the computer.

(c) This computer is an electronic device which is used
for processing data for

....., using their respective software systems.

(d) To the best of my knowledge and belief there are no
reasonable grounds for believing that the statement
in the document identified above is inaccurate
because of improper use of the computer; at all
material times the computer was operating properly or,
if not, any respect in which it was not operating
properly or was out of operation was not such as to
affect the production of the document or the accuracy
of its contents.

(e) I sign this certificate knowing that I shall be
liable to prosecution if I have stated in it anything
which I know to be false or do not believe to be true.

Dated the day of 1996

Place of employment:

Position held in relation to
the operation of the Data Centre:-

Signature.....

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

AUG 16 1986

IN RE: Letter of Request from the)
Isle of Man for Assistance)
in the Criminal Matter of)
Neville Michael Gothold)

No. 86-1000

STRICTLY CONFIDENTIAL

ORDER

Upon application of the United States, and upon review of the Letter of Request from the Attorney General, Isle of Man General Authority, seeking evidence for use in a judicial proceeding in the Isle of Man and the Court having fully considered this matter,

IT IS HEREBY ORDERED, pursuant to the authority conferred by 28 U.S.C. § 1782 and this Court's inherent authority, that Lisa Huestis is appointed as a Commissioner of this Court and is hereby directed to execute the Letter of Request as follows:

1. take such steps as are necessary, including issuance of commissioner's subpoenas to be served on persons within the jurisdiction of this Court, to collect the evidence requested;
2. provide notice with respect to the collection of evidence to those persons identified in the request as parties to whom notice should be given (and no notice to any other party shall be required);
3. adopt procedures to collect the evidence requested consistent with its use as evidence in a proceeding before a tribunal in France, which procedures may be specified in the request or provided by the requesting court or authority or by a

3

representative of the Isle of Man;

4. seek such further orders of this Court as may be necessary to execute this request; and

5. certify and submit the evidence collected to the Office of International Affairs, Criminal Division, United States Department of Justice, or as otherwise directed by that office for transmission to the requesting court or authority.

IT IS FURTHER ORDERED that, in collecting the evidence requested, the Commissioner may be accompanied by persons whose presence or participation is authorized by the Commissioner, including, without limitation, special agents of the Federal Bureau of Investigation and/or representatives of the Isle of Man.



UNITED STATES DISTRICT JUDGE

Dated: AUGUST 15 , 1996