

Richard B. Roper, III (“Receiver”) files this Report to the Court regarding the affairs and findings of the Receivership, respectfully showing as follows:

By order dated March 26, 2009, this Court appointed Richard B. Roper as Receiver for the assets and records of the Defendants and Relief Defendants in the above-referenced case and all entities they own or control. The Receivership Order, and the subsequent orders re-appointing the Receiver, direct the Receiver to prepare and submit written periodic reports to the Court and to the parties. Further, this Court ordered on August 20, 2018 that the Receiver provide an update on his efforts and all that is needed to bring this matter to conclusion. [Dkt. No. 305] This Report is intended to brief the Court on the status of matters undertaken for the benefit of the Receivership Estate.

I. OVERVIEW

This Receiver’s Report is the seventh substantive update to the Receivership Court of the Receiver’s activities. The Receiver’s goal throughout his administration of the Receivership has been, and continues to be, to maximize the amount available to distribute to investors who lost money as a result of the fraud (the “Net Losing Investors”). In the time frame since the last Receiver’s Report, the Receiver has not incurred significant fees or even filed a fee application in an effort to avoid further costs to the estate while ancillary matters are winding down.

Because the Receiver’s prior reports have provided significant detail regarding the Receiver’s work in the relevant periods, rather than repeating the extensive contents of those prior reports, each is summarized here to provide both a summary of the Receiver’s work to date and a context for the work performed in the last year.

A. SUMMARY OF DECEMBER 2009 RECEIVER'S REPORT

The Receiver's Report of December 4, 2009 [Doc. 115] (the "2009 Report") detailed at length the structure of the Millennium Entities and the manner in which the fraud on the investors occurred. Essentially, Millennium Bank and its related entities functioned as a simple Ponzi scheme, under the direction of Defendant William Wise. Investors in the various entities purchased a "certificate of deposit" for a set term of years, and for a set interest rate. The "interest," however, was fictitious, as Wise simply paid out matured CDs with the money of new investors who believed they were also purchasing CDs. The rest of the money was appropriated by Wise and his associates for personal use, in the manner detailed at length later in this Report. It was never invested. The Millennium Entities had very little corporate structure, and maintained a physical presence in Napa, California, Raleigh, North Carolina, and offshore on the island of St. Vincent and the Grenadines.

No actual investment of investor funds has been identified throughout the course of the Receivership. Instead, Wise spent the money on a lavish lifestyle, literally spending tens of millions of dollars for an island resort, airplanes and pilots, an extensive wine collection, boats, luxury automobiles and drivers, world travel, and large sums paid to his wife and various girlfriends, among other things. The findings of the forensic accountants explain the misappropriation of funds as thoroughly as possible in light of the poor recordkeeping of the Millennium businesses and the unavailability of William Wise himself.

The first Receiver's Report discussed tasks and matters undertaken by the Receiver in order to satisfy his appointed duties and responsibilities, such as review,

seizure, and relinquishment of Millennium office locations; location-securing, and liquidation of assets; review and analysis of investor claims; and many other tasks and actions related to the litigation of claims by Defendants and Relief Defendants. The bulk of the Receiver's work in locating and liquidating assets had been accomplished as of the December 2009 Report to this Court.

B. SUMMARY OF NOVEMBER 2010 RECEIVER'S REPORT

On November 22, 2010, the Receiver filed an additional Receiver's Report with the Court [Doc. 147] outlining the work undertaken by the Receiver, his agents, and representatives since the December 2009 Report ("the 2010 Report"). The 2010 Report focused on the Receiver's substantial work, along with his forensic accountants, to better understand the financial activities of the Millennium Entities. This task was central to the Receivership Estate, both because it provided insight as to how to recoup some of the lost funds and also because the Court, along with investors and other creditors, needed a clear explanation of what happened to those investor funds which cannot be recovered.

The Receiver obtained the assistance of forensic accounting firm Litzler, Segner, Shaw & McKenney LLP ("LSS&M") in order to analyze the bank deposits and withdrawals of Millennium Bank and its sister entities (the "Millennium Entities") in an effort to determine how funds were used. LSS&M created a database of all the identifiable bank transactions conducted by the Millennium Entities to allow LSS&M and the Receiver to review the monies moving in and out of the Millennium Entities. This database was instrumental in aiding the Receiver's understanding of the Millennium Entities' financial activity. The results of an analysis of this database are covered in significant detail in the 2010 Report.

As detailed in the 2010 Report, the work by LSS&M revealed that the investor funds were deposited into one primary account, and that the money was appropriated by William Wise and his associates to fund a lavish lifestyle and little more, paying off earlier investors in order to perpetuate the scheme. At least \$156.9 million was deposited into accounts of the Millennium Entities since the Ponzi scheme's inception. All of this \$156.9 million is believed to have come from investor deposits, and \$127.5 million can be traced back directly to the Millennium Entities' bank records. A detailed explanation of the spending analysis and the accounting challenges encountered by the Receiver and LSS&M to produce these figures is found at pages 8 to 12 of the 2010 Report.

C. SUMMARY OF APRIL 2012 RECEIVER'S REPORT

On April 9, 2012, the Receiver filed an additional Receiver's Report with the Court [Doc. 192] outlining the work undertaken by the Receiver, his agents, and representatives since the November 2010 Report ("the 2011 Report"). The 2011 Report focused on the Receiver's work in initiating and prosecuting ancillary litigation against various parties that benefited from illegitimate transfers from the Millennium Entities, cooperation with government authorities, and cooperating with the St. Vincent Joint Provisional Liquidators.

In the course of the Receiver's work, some illegitimate transfers of funds came to light. These transactions are deemed illegitimate because no reasonably equivalent exchange was made by the persons or entities who received certain funds from Millennium Bank or any of its sister entities. *See SEC v. Res. Dev. Int'l, LLC*, 487 F.3d 295, 301 (5th Cir. 2007); *Warfield v. Byron*, 436 F.3d 551, 559 (5th Cir. 2006). Because those transactions amount to "fraudulent transfers" under the applicable law, the Receiver

sought to recoup those funds paid out to these certain individuals through ancillary litigation, which was prosecuted in accordance with procedures approved by the Court's Order Granting Receiver's Motion to Approve Procedures for Recovery of Receivership Assets in Third-Party Litigation [Doc. 156].

The Receiver commenced three ancillary suits. First, the Receiver determined that while numerous investors have been defrauded and lost most, if not all, of their investment in the Millennium Entities, other investors were paid back in full, with interest (the "Net Winning Investors"). On March 1, 2011, the Receiver filed his Original Complaint in this Court against those Net Winning Investors who did not respond to the Receiver's request for repayment or who refused to comply with repayment (*Cause No. 7:11-cv-00031*). The Complaint named 312 Defendants and sought more than \$5,000,000 in net winnings, alleging actual and constructive fraudulent transfer under California's Uniform Fraudulent Transfer Act, unjust enrichment, and constructive trust. The Receiver spent a considerable amount of time discussing and settling claims with the Net Winning Investors. The Receiver also filed motions for default judgment and motions for summary judgment against the Net Winning Investors.

Second, the Receiver's investigation revealed that Atlanta Northside Aviation received significant funds from the Millennium Entities during the course of the Ponzi scheme. On March 1, 2011, the Receiver filed his Original Complaint against Atlanta Northside Aviation ("ANA") in this Court, *Cause No. 7:11-cv-00034*. The Complaint sought to recover \$800,000 from ANA, alleging actual and constructive fraudulent transfer under Georgia's Uniform Fraudulent Transfer Act, unjust enrichment, and

constructive trust. In January 2012, the Receiver filed his Motion for Summary Judgment against ANA.

Third, the Receiver instituted suit against three of the brokers, Defendants Robert Kelty, David Jones, and Scott Christopher, working to sell Millennium CD products over the years. Because of their relationships with Wise and the Millennium Entities, on March 1, 2011, the Receiver filed his Original Complaint against Defendants David Jones, Robert Kelty, and Scott Christopher in this Court, Cause No. 7:11-cv-00036. Defendant David Jones filed for bankruptcy shortly after commencement of the ancillary suit. The Receiver, assisted by Kentucky local counsel Bingham Greenebaum Doll LLP (“BGD”), appeared, opposed the discharge, and the Court ultimately stayed its jurisdiction lifting the automatic stay against Defendant David Jones.

D. SUMMARY OF NOVEMBER 2012 RECEIVER’S REPORT

On November 29, 2012, the Receiver filed an additional Receiver’s Report with the Court [Doc. 196] outlining the work undertaken by the Receiver, his agents, and representatives since the April 2012 Report (“the 2012 Report”). The 2012 Report focused on the Receiver’s work on prosecuting and collecting on the ancillary litigation against the Net Winning Investors, Atlanta Northside Aviation, and the Brokers.

The Receiver and his counsel worked diligently to resolve the litigation against the Net Winning Investors through settlement where possible. The Receiver effectively completed settlement of the claims against 104 of the Defendants and dismissed those who completed the terms of their settlement agreements. The Receiver and his counsel spent significant time corresponding with investor defendants and working to resolve the claims against them.

The Court granted summary judgment on March 29, 2012 against 16 of the Defendants. Further, many of the Defendants failed to answer the Receiver's complaint. On April 9, 2012, the Court granted the Receiver's default judgment against 57 of the Defendants. Because all of the Net Winning Investors had settled or defaulted or dispositive motions had been resolved in favor of the Receiver, the Court suggested that the case be administratively closed at the April 19, 2012 pre-trial hearing. The Receiver collected over \$1.5 million from the Net Winning Investors. The Receiver began the process of collecting on the default and summary judgments.

Additionally, this Court's ruling on the parties' cross-motions for summary judgment found that ANA was liable to the Receivership Estate for \$445,000 in funds fraudulently transferred to ANA prior to institution of the Receivership. Following settlement discussions that were ultimately unconsummated, the Receiver took steps to finalize that judgment and recover the funds for the benefit of the Receivership Estate. The Receiver filed a Motion for Entry of Final Judgment Against ANA on September 28, 2012. On October 12, 2012, the Court granted the Receiver's Motion for Entry of Final Judgment against ANA [Doc. 40]. The Receiver has since received full payment from ANA in settlement of his claims.

Because of the bankruptcy, the Receiver's claims against the brokers did not move at the same pace as the other ancillary litigation. But the Receiver commenced the discovery phase of the litigation against the Millennium Brokers, following his success in lifting a bankruptcy stay to be able to pursue the litigation.

The parties mediated the case on October 9, 2012. Defendant Robert Kelty and the Receiver reached a tentative agreed resolution, but Defendant Scott Christopher and

Defendant David Jones and the Receiver did not settle the claims at issue during the mediation. Defendant Robert Kelty completed the settlement terms and was dismissed from the suit on November 28, 2012 [Doc. 42]. Further, the Court extended the discovery period in this case to allow the Receiver to debrief William Wise.

E. SUMMARY OF NOVEMBER 2013 RECEIVER'S REPORT

On November 5, 2013, the Receiver filed an additional Receiver's Report with the Court outlining the work undertaken by the Receiver, his agents, and representatives since the November 2012 Report ("the 2013 Report"). The 2013 Report focused on the Receiver's work prosecuting the ancillary litigation and collecting judgments as appropriate against the Net Winning Investors and the Brokers.

Beginning in late November 2012, the Receiver sought approval for a distribution to the nearly 600 Net Losing Investors. To identify Net Losing Investors, the Receiver and his counsel, agents, and representatives reviewed the records and databases recovered from the offices of the Millennium Entities and the claims made by investors. Ultimately, on January 31, 2013, the Court approved the distribution of 2.24% of the total allowed claims to 565 Net Losing Investors [Doc. 201]. Thereafter, on February 4, 2013, the Receiver contacted the Net Losing Investors via e-mail to announce that the Court had approved the Receiver's Request for Interim Distribution. Since that time the Receiver and his counsel, agents, and representatives spent significant time making distributions to the nearly 600 Net Losing Investors and answering various inquiries regarding the distribution process.

Furthermore, after conducting additional discovery, the Receiver filed his Motion for Summary Judgment against Defendants Scott Christopher and David Jones on March

18, 2013 [Doc. 45]. The Receiver asserted that as to both Defendants the payment of “commissions” to them constituted actual fraudulent transfers. On August 2, 2013, the Court granted the Receiver’s Motion for Summary Judgment against both Defendants [Docs. 65 and 66].

F. SUMMARY OF MAY 2015 RECEIVER’S REPORT

On May 28, 2015, the Receiver filed an additional Receiver’s Report with the Court outlining the work undertaken by the Receiver, his agents, and representatives since the November 2013 Report (“the 2015 Report”). The 2015 Report focused on the Receiver’s work collecting judgments obtained in the ancillary litigation against the Net Winning Investors and the Brokers, and responding to various inquiries from law enforcement, investors, and other attorneys, as necessary.

In late August 2013, the Court entered final judgments against Defendant David Jones for \$800,000 and Defendant Scott Christopher for \$358,803.39 [Doc. 69]. In 2014, the Receiver worked to collect upon both judgments against Defendants. Thereafter, the bankruptcy court in Kentucky held that the Final Judgment against Defendant David Jones was nondischargeable. Since that time, the Receiver performed asset searches to determine the available assets of Defendants David Jones and Scott Christopher.

The Receiver also performed a cost analysis of what it would cost to move forward in collecting the judgments against the Net Winning Investors and the Brokers. The Receiver had a total of 50 uncollected judgments totaling \$1,786,951.15 against Defendants located in 25 different states. The cost analysis revealed that the most efficient route and the route most likely to lead to successful recoveries for the Net Losing Investors was to hire counsel on a contingent fee to handle the collections. The

Receiver began to move forward with the collection process through such counsel (the “Contingent Fee Counsel”).

Further, in 2013 and 2014, the Receiver responded to various inquiries from law enforcement, investors, and other attorneys that required the Receiver to spend fees and efforts to respond to and resolve. One such response was in connection with Boston, Massachusetts attorney Keith L. Miller’s representation of Millennium Bank Entities’ investors who were plaintiffs in the case styled, *Hollis, et al. v. JPMorgan Chase Bank, N.A.*, Case No. 1:12-cv-10544 (JGD) in the United States District Court for the District of Massachusetts.

II. RECENT WORK UNDERTAKEN BY THE RECEIVER

Since the 2015 Report was filed, the Receiver’s work has focused on collecting on the judgments obtained in the ancillary litigation against the Net Winning Investors and the Brokers, responding to various inquiries from law enforcement, investors, and other attorneys, as necessary, working with the government to attempt to repatriate funds for the benefit of the Receivership Estate, and assisting with the Class Action.¹ The Receiver’s primary role since 2015 has been overseeing the aforementioned work without accruing significant fees and preserving the scarce resources of the Receivership Estate.

A. BROKERS

Since the Court granted the Receiver’s Motion for Summary Judgment against Defendants Scott Christopher and David Jones [Docs. 65 and 66] in 2013, the Receiver has worked to collect upon both judgments. The Receiver has performed asset searches to determine the available assets of Defendants Scott Christopher and David Jones so that

¹ Defined below.

the Receiver can move to collect the judgments. Further, the Receiver has made efforts and inquiries to determine the most cost-efficient means of collecting on the Broker judgments as well as all remaining Net Winning Investor judgments.

B. NET WINNING INVESTORS

The Receiver and his counsel still spend time corresponding with investor defendants and working to resolve the claims against them.

The Receiver has collected over \$2,405,583.32 from the Net Winning Investors. The Receiver is still in the process of collecting on the default and summary judgments.

C. COLLECTION

Since 2015, the Receiver, through his Contingent Fee Counsel, moved forward in collecting the judgments against the Net Winning Investors and the Brokers. The Receiver had a total of 50 uncollected judgments totaling \$1,786,951.15 against Defendants located in 25 different states. To date, the Receiver, through his Contingent Fee Counsel, has collected \$72,392.55. The Receiver is currently pursuing additional opportunities to further collect on the remaining judgments.

D. CIVIL AND CRIMINAL SUITS AGAINST WILLIAM WISE AND JACQUILINE HOEGEL

The SEC obtained a judgment against William Wise in the underlying Receivership action for \$75,544,722.03. On February 21, 2012, a federal grand jury returned a 23-count indictment, charging William Wise and Jacqueline Hoegel with conspiracy, mail fraud, and wire fraud.

On April 17, 2012, Wise turned himself in and appeared in court in San Francisco. On September 13, 2012, Wise plead guilty in federal court to one count of conspiracy to commit mail and wire fraud, twelve counts of mail fraud, three counts of

wire fraud, one count of money laundering, and one count of tax evasion. On February 4, 2015, Wise was sentenced to 262 months in prison. United States District Court Judge Edward M. Chen also sentenced Wise to a three-year period of supervised release. The Receiver did send a letter to the sentencing judge, attached hereto as Exhibit A. On January 20, 2016, the Court ordered Wise to pay restitution in the amount of \$100,222,354.23. Mr. Wise is still serving his sentence at the Terminal Island Federal Correctional Institution until April 24, 2031.

After the arrest and initial appearance of Jacqueline Hoegel, she was released on bond. In 2014, the Receiver was informed that the charges against Jacqueline Hoegel were dismissed based on improper venue, meaning that the U.S. Attorney's office for the Northern District of California would not be prosecuting the case. Thereafter, in 2014, a federal grand jury in the Eastern District of California returned a four-count indictment against Hoegel, charging her with making and subscribing false tax returns. The trial against Hoegel was set for September 21, 2015 at 9:00 a.m. before Judge John A. Mendez. The Receiver was subpoenaed as a witness and testified in this matter. On April 11, 2016, Hoegel was sentenced to 36 months in prison as to each of four counts for making and subscribing a false tax return to be served concurrently. United State District Court Judge William B. Shubb also sentenced Hoegel to a 12-month term of supervised release as to each of four counts of making and subscribing a false tax return to be served concurrently. Ms. Hoegel is still serving her sentence at the Federal Correctional Institution, Dublin until December 24, 2018.

The criminal charges against Wise and Hoegel are separate from the civil suit filed by the Receiver in the United States District Court for the Northern District of

Texas. The Receiver is only involved in the government's investigation when requested by the U.S. Attorney's office and federal agents.

E. DISCOVERY REQUESTS AND OTHER LAW ENFORCEMENT REQUESTS

In an effort to assist any and all victims of the Millennium Ponzi scheme, the Receiver has been willing, when no significant expense will be endured by the Millennium Bank Receivership, to provide relevant and non-privileged discovery to litigants in Millennium-related disputes. Similarly, the Receiver has been willing to respond to law enforcement requests or subpoenas.

F. REPATRIATION OF FUNDS FOR THE BENEFIT OF THE RECEIVERSHIP ESTATE

Since the inception of the Receivership, the Receiver has been engaged in attempting to repatriate assets located in St. Vincent, a hub for the Defendants' fraudulent activities. A court-appointed liquidator in St. Vincent took control of most of the assets of the Defendants. As a result of that liquidation, no remaining funds were made available by the liquidators to any investors. Rather, all of the funds in the estate of the liquidators were used up in payments in fees and claims. Nevertheless, the Receiver worked with the SEC and the Department of Justice to ensure that assets not in the estate of the liquidator were held under restraint. These assets are linked to Defendant Mr. Wise and entities Mr. Wise used in his scheme to defraud investors. Specifically, nearly \$2 million Caribbean dollars have been liquidated related to assets, such as wines, vehicles, boats, and foreign accounts potentially owned or traceable to Mr. Wise. The Department of Justice is working on a mutual legal assistance treaty (MLAT) with St. Vincent to repatriate such liquidated funds to the United States. The Receiver has been working with and will continue to work with the Department of Justice regarding the

Receiver's claim to the liquidated funds located in St. Vincent. Due to the sizeable nature of repatriating such funds to the United States and seeking a right to distribute such funds to Investors, the Receiver deems that waiting to make a final distribution to Investors and waiting to terminate the Receivership until this loophole is closed is meritorious.

G. SETTLEMENT IN *MANSOR, ET AL. v. JPMORGAN CHASE BANK, N.A.*

In *Edmund J. Mansor and Roberta M. Mansor v. JPMorgan Chase Bank, N.A.*, Case No. 1:12-cv-10544-JGD, pending in the District Court for the District of Massachusetts (the "Class Action"), Plaintiffs Edmund Mansor and Roberta Mansor commenced a class action lawsuit, claiming that Defendant JPMorgan Chase Bank, N.A. ("Chase") aided and abetted a Ponzi scheme run primarily by William Wise through companies affiliated with Wise, including Millennium Bank, United Trust of Switzerland, and Sterling IS. Chase denies all such claims. Plaintiffs and Chase agreed to a settlement.

Prior to the class settlement, on June 21, 2017 the Receiver was deposed in the Class Action. The Receiver's testimony was used to support the class action and ultimately the class action settlement, including evidence related to the structure of the fraud and investor losses.

On June 22, 2018, United States Magistrate Judge Judith G. Dein approved Plaintiffs' Unopposed Motion for Preliminary Approval of Class Action Settlement, in which the Court approved the Receiver as settlement administrator. Since being approved as the settlement administrator, the Receiver has complied with his

responsibilities as set forth in the Settlement Agreement. The Receiver will administer the Proposed Class Action Settlement for the Class Action.

III. REMAINING TASKS

The primary tasks facing the Receiver to complete his duties are collecting upon the judgments obtained in the ancillary litigation and distributing the funds to defrauded investors and other creditors. Specifically, the Receiver will:

- Continue collections in the Broker and Net Winners litigation;
- Work with the government to attempt to repatriate funds for the benefit of the Receivership Estate;
- Administer the Proposed Class Action Settlement in *Edmund J. Mansor and Roberta M. Mansor v. JPMorgan Chase Bank, N.A.*, Case No. 1:12-cv-10544-JGD; and
- Distribute the remaining funds to nearly 600 Net Losing Investors.

The Receiver's goal is to maximize collection given the scarce resources of the Receivership Estate.

IV. CONCLUSION

The Receiver has devoted the bulk of his time since his last report to this Court to attempting to recoup assets paid out to third parties as fraudulent transfers in order to restore additional funds to the Receivership Estate. The analysis contained in this Report represents the best possible picture of Millennium Bank's financial affairs in light of the extremely poor recordkeeping of the Defendants, the limitations of the bank records provided in response to the Receiver's subpoena, and the unavailability until now of the master of the scheme, William Wise. The Receiver will continue to undertake those tasks required to faithfully and most efficiently administer the Estate. The Receiver asks for

such other and further relief, general or special, at law or in equity, to which he may otherwise be entitled.

Respectfully submitted,

THOMPSON & KNIGHT, LLP

/s/ Jennifer Rudenick Ecklund _____

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**COUNSEL FOR THE RECEIVER,
RICHARD B. ROPER**

CERTIFICATE OF SERVICE

On September 17, 2018, I electronically submitted the foregoing document to the Clerk of the Court for the United States District Court for the Northern District of Texas using the electronic case filing system of the Court.

/s/ Jennifer Rudenick Ecklund _____

Jennifer Rudenick Ecklund

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February 4, 2015

Hon. Edward M. Chen
United States District Judge
Northern District of California
San Francisco Courthouse,
Courtroom 5 - 17th Floor
450 Golden Gate Avenue
San Francisco, CA 94102

Re: *United States v. William Wise*, No. 3:12-cr-00111-EMC-1

Dear Judge Chen:

In the Northern District of Texas, Securities and Exchange Commission (“SEC”) enforcement action styled *SEC v. Millennium Bank, et al*, no. 7:09-CV-050-O, I am the court-appointed receiver over the assets of the above-referenced defendant, William Wise (“Wise”), Millennium Bank and other various entities associated with Wise. I understand that Wise will be sentenced today by you.

On November 12, 2012, I interviewed Wise with his counsel and the government’s counsel present. Later, Wise executed a declaration, which assisted me in obtaining a judgment against one of the participants in Wise’s Ponzi scheme. I appreciate this assistance. But, Wise and his able defense counsel claim that Wise truthfully answered my questions, and disclosed the location of where he placed funds of the defrauded investors, all of which are now gone. Therein lies the problem.

For the problem Wise has in maintaining this position is that the nature of his Ponzi scheme makes it nearly impossible from me to evaluate whether he is telling the truth. By quickly moving investor funds out of the United States to the island of St. Vincent and Europe, he was able to place these funds in accounts or in assets in jurisdictions beyond the reach of United States creditors.

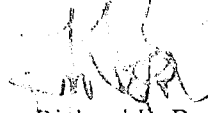
By the time I was appointed receiver in April 2009, there was less than \$500,000 in cash remaining on hand in the United States. While I was able to liquidated assets and sue “net-winning” investors and several participants, I was only able to recover a mere fraction of the funds stolen from the investors. Unlike the Madoff Ponzi scheme where the trustee was able to trace and recover investor funds placed mainly in domestic banks and businesses, investor funds in this matter were placed well outside of the jurisdiction of the United States, where bank secrecy laws and questionable cooperation by foreign government officials make identifying the location of the assets and the recovery of assets very difficult or impossible. Moreover, since

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Wise pulled out substantial amounts of cash from foreign bank accounts, the trail in determining the location of investor funds simply went cold.

In fact, the only trail left is the line of defrauded investors who have interacted with me over the years. Their story is one of devastation. Since Wise offered CDs, nearly all of the investors hoped for a safe return on their investment, and were counting on monthly distributions to provide for their financial support. Many investors lost a life time of savings, and cannot now work to replenish even a fraction of what was taken. The gigantic financial hole in their lives will remain. Because of the nature of Wise's fraud, neither a receiver nor the government will fill that hole leaving a gaping wound that will never heal.

Respectfully,



Richard B. Roper

cc:

Via email to: benjamin.kingsley@usdoj.gov

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