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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

ERIC V. BARTOLI,

Defendant.

JUDGE ADAMS

JUDGE

I N D I C T M E N T

) Violations: Title 15,
) United States Code, Sections
) 77e(a), 77x, 78j(b),
) 78ff(a); Title 18, United
) States Code, Sections 2,
) 371, 1341, 1343,
) 1956(a)(1)(B)(i), 1957;
) Title 26, United States
) Code, Section 7201; Title
) 17, Code of Federal
) Regulations, Section
) 240.10b-5.

The Grand Jury charges:

COUNT 1

(Conspiracy)

From in or about 1995, and continuing through on or about August 27, 1999, in the Northern District of Ohio and elsewhere, the defendant, ERIC V. BARTOLI, together with other persons known

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and unknown to the Grand Jury, did unlawfully, willfully, and knowingly combine, conspire, confederate and agree among themselves and each other to commit certain offenses against the United States, as follows:

A. INTRODUCTION

1. Some time in 1995, the exact date being unknown to the Grand Jury, defendant ERIC V. BARTOLI, a resident of Marshallville, Ohio, created Cyprus Funds, Inc. ("Cyprus"), an open-end mutual fund purportedly formed for the purpose of making investments in different geographical regions in Latin America and the United States. Cyprus was purportedly incorporated in Belize, Central America, on January 1, 1996. At all times material to this Indictment, defendant ERIC V. BARTOLI was the founder, fund manager, and principal officer of Cyprus. As fund manager, ERIC V. BARTOLI had signature authority over all of the Cyprus bank accounts. As the controlling director of Cyprus, ERIC V. BARTOLI prepared monthly newsletters, created the Cyprus prospectus, and determined the price per share of investments into Cyprus.

2. In or about March 1995, ERIC V. BARTOLI incorporated Flanders Investment Holdings Limited Inc. ("Flanders") in Florida in order to invest in real estate development in North Miami Beach, Florida. ERIC V. BARTOLI was the president and sole shareholder of Flanders. ERIC V. BARTOLI maintained signature

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authority over the Flanders bank account. ERIC V. BARTOLI offered potential investors the opportunity to invest in Flanders along with Cyprus. Flanders held an ownership interest in Andalus Ventures, a Florida real estate partnership ERIC V. BARTOLI established in approximately February 1995, along with another individual.

3. In or about November 1996, ERIC V. BARTOLI and Douglas R. Shisler, named but not charged herein, incorporated B&S Business in Belize, Central America to purchase and manage farm properties located in Wayne County, in the Northern District of Ohio.

4. In or about November 1996, the defendant, ERIC V. BARTOLI, Douglas Shisler, named but not charged herein, and another person whose identity is known to the Grand Jury, incorporated Athens Company Inc. ("Athens") in Belize, Central America to sell common-law business organizations. ERIC V. BARTOLI maintained signature authority over the Athens bank account.

5. On or about March 6, 1997, ERIC V. BARTOLI and Douglas R. Shisler, named but not charged herein, incorporated B&S Beef in Belize, Central America to raise livestock on the farm properties located in Wayne County, in the Northern District of Ohio.

6. On or about March 6, 1997, ERIC V. BARTOLI and Douglas R. Shisler, named but not charged herein, incorporated B&S Grain in Belize, Central America to grow crops on the farm properties

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located in Wayne County, in the Northern District of Ohio.

7. On or about March 21, 1997, ERIC V. BARTOLI and Douglas R. Shisler, named but not charged herein, incorporated B&S Equipment in Belize, Central America to purchase, sell, and lease farm implements and farming equipment in Wayne County, in the Northern District of Ohio.

8. In or about June 1998, ERIC V. BARTOLI and Douglas R. Shisler, named but not charged herein, incorporated B&S Farms in Nevada in order to merge B&S Beef and B&S Grain, two foreign corporations, into one domestic corporation. ERIC V. BARTOLI maintained signature authority over the bank accounts for the various B&S entities.

9. In or about 1997, ERIC V. BARTOLI established CF Latin American Fund ("CF Latin"), a limited partnership, in Delaware. ERIC V. BARTOLI intended CF Latin to be a domestic version of Cyprus to allow for sale to investors in the United States. ERIC V. BARTOLI was the Chief Executive Officer of CF Latin and maintained signature authority over its bank account. In or about 1997, ERIC V. BARTOLI established Latin American Services Corporation ("LASCO") in Delaware to act as the general partner for CF Latin. ERIC V. BARTOLI established Latin American Services Company, LLC ("LASCO, LLC") in Ohio as a limited liability company to act as an investment advisor to CF Latin.

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At all times material to this Indictment:

10. Douglas R. Shisler, a resident of Doylestown, Ohio, was registered with the Securities and Exchange Commission ("SEC") as an investment advisor and was licensed by the state of Ohio to sell insurance. Douglas R. Shisler was a director of Cyprus and was responsible for processing investors' accounts, generating monthly statements, and selling of Cyprus to U.S. residents. Douglas R. Shisler sold shares of Cyprus to the public by, among other methods, maintaining a website.

11. Peter J. Esposito, named but not charged herein, a resident of Middleburg Heights, Ohio, was an insurance salesman and financial advisor. Peter J. Esposito was a director of Cyprus and was responsible for selling Cyprus shares and publicizing the fund. Peter J. Esposito knew that shares of Cyprus were promoted to the public by, among other methods, maintenance of a website.

12. Another individual whose identity is known to the Grand Jury served as a director ("Director Number Four") and was responsible for selling Cyprus shares and publicizing the fund.

13. The Securities and Exchange Commission ("SEC") was an agency of the United States established to regulate and supervise the activities of registered broker-dealers and other participants in the national securities markets. The SEC, among other functions, seeks to prevent the commission and use of

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deceptive and manipulative acts or devices in the connection with the offer, purchase and sale of securities by issuers, underwriters and persons trading in the national securities markets.

14. In performance of these duties, the SEC required that a registration statement be filed with the SEC concerning certain securities transactions and that certain publicly held corporations file, with the SEC, annual and quarterly reports which reflect the corporation's financial condition and operations. Cyprus was not registered with the SEC.

15. Cyprus distributed sales literature to investors, falsely stating Cyprus generated favorable returns over a period of years. Sales efforts in the United States were directed at individuals, many of whom were retirees, to whom Cyprus was represented as a safe, conservative investment providing a monthly stream of income. By July 1999, Cyprus had raised approximately \$64.7 million from approximately 1000 investors in the U.S. and abroad. In its July 1, 1999 statement to investors, Cyprus falsely represented a net value of \$3.352 per share. Newsletters and account statements mailed to investors falsely reported to investors that Cyprus investments were doing well and generating prosperous returns, usually increasing over 1% per month.

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16. Between 1995 and on or about August 27, 1999, defendant ERIC V. BARTOLI, together with others known and unknown to the Grand Jury, fraudulently obtained more than \$65 million from Cyprus investors both within and outside the Northern District of Ohio. Of that amount, less than \$31 million was returned to investors.

B. OBJECTS OF THE CONSPIRACY

The objects of the conspiracy were as follows:

1. To unlawfully, knowingly, and willfully, directly and indirectly, by the use of means and instrumentalities of interstate commerce, and of the mails, use and employ, in connection with the purchases and sales of securities, manipulative and deceptive devices and contrivances, by
 - (a) employing devices, schemes, and artifices to defraud;
 - (b) making untrue statements of material facts and omitting to state material facts necessary to make the statements made, in light of the circumstances in which they were made, not misleading; and
 - (c) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon other persons, in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a), and Title 17, Code of Federal Regulations, Section 240.10b-5;
2. To knowingly and willfully, directly and indirectly, make use of means and instruments of transportation and communication

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in interstate commerce and of the mails to sell securities for which no registration statement was in effect, in violation of Title 15, United States Code, Sections 77e(a) and 77x;

3. To knowingly and willfully transmit and cause to be transmitted by wire communication in interstate and foreign commerce writings, signs, signals, pictures, and sounds in furtherance of a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1343;

4. To knowingly and willfully use and cause the United States mail and interstate couriers to be used in furtherance and execution of a scheme and artifice to defraud, and a scheme and artifice for obtaining money and property by means of false and fraudulent pretenses, representations and promises, in violation of Title 18, United States Code, Section 1341;

5. To conduct and attempt to conduct financial transactions affecting interstate commerce involving the proceeds of specified unlawful activities, that is mail fraud, wire fraud, and securities fraud, knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, and knowing that the transactions were designed in whole and in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the

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proceeds of specified unlawful activities, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i); and

6. To knowingly and willfully engage and attempt to engage in monetary transactions by, through, and to financial institutions, which monetary transactions affected interstate and foreign commerce, in criminally derived property of a value greater than \$10,000, such property having been derived from specified unlawful activities, that is, securities fraud, wire fraud, and mail fraud, in violation of Title 18, United States Code, Section 1957.

C. MANNER AND MEANS OF THE CONSPIRACY

1. It was a part of the conspiracy and scheme to defraud that defendant ERIC V. BARTOLI and other persons known and unknown to the Grand Jury, knowingly and willfully offered and sold, caused to be offered and sold, and aided and abetted the offer and sale of, securities issued by Cyprus and affiliated entities to hundreds of investors located in Ohio and other states, as well as countries outside the United States, by means of false and fraudulent statements, representations, promises, and pretenses, including, but not limited to, the false and fraudulent statements that:

a. Cyprus would invest clients' money in oil, petroleum, precious metals, computer companies, and foreign telephone and communications companies in order to enhance each client's

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wealth, when in fact ERIC V. BARTOLI diverted a significant portion of these funds to his personal properties and personal business ventures;

b. individual clients' investments continued to grow when in fact funds were not even invested on those clients' behalf; and

c. payments made to investors were successful returns on their investments when in fact those funds had not been invested in the first place;

d. falsely inflated the asset value of Cyprus Funds; and

e. Cyprus had filed or would very shortly file a registration statement with the United States Securities and Exchange Commission.

2. It was a part of the conspiracy and scheme to defraud that in the offer and sale of the securities issued by Cyprus and affiliated entities, defendant ERIC V. BARTOLI and other persons known and unknown to the Grand Jury, knowingly and willfully failed to truthfully and accurately disclose in a registration statement, prospectus, private placement memorandum or in any other form material facts, including but not limited to:

a. the uses to which investors' money would be put, including that investors' money had been and would be used for the personal benefit of defendant ERIC V. BARTOLI and others, including for living expenses and the purchase of millions of dollars worth of real estate and other items for the personal use

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of defendant and other persons known and unknown to the Grand Jury;

b. the financial condition of Cyprus and affiliated entities;

c. that Cyprus, Flanders, the B&S entities, Athens, and LASCO, LLC were under common management and control; and

d. that Douglas Shisler and Director Number Four had been suspended by the Ohio Division of Securities from selling certain securities in Ohio on or about April 15, 1996.

3. It was a part of the conspiracy and scheme to defraud that defendant ERIC V. BARTOLI and other persons known and unknown to the Grand Jury, used funds received from investors for personal use, including for living expenses and for the purchase of real estate and for other purposes not disclosed to investors.

4. It was a part of the conspiracy and scheme to defraud that defendant ERIC V. BARTOLI and other persons known and unknown to the Grand Jury, employed various sales agents to offer and sell the securities of Cyprus and affiliated entities, to approximately one thousand investors located throughout the United States and South and Central America.

5. It was a part of the conspiracy and scheme to defraud that defendant ERIC V. BARTOLI and other persons known and unknown to the Grand Jury, on behalf of Cyprus, as a foreign investment company, sold investments in public offerings to more

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than 100 investors in the United States without registering Cyprus with the United States Securities and Exchange Commission.

6. It was a part of the conspiracy and scheme to defraud that defendant ERIC V. BARTOLI and other persons known and unknown to the Grand Jury, lulled and attempted to lull investors, through oral and written communications containing false and misleading statements, into believing that their investments with Cyprus and affiliated entities would result in the creation of significant wealth.

D. OVERT ACTS

In furtherance of the conspiracy, and to promote the objects thereof, defendant ERIC V. BARTOLI and other persons known and unknown to the Grand Jury, committed and caused to be committed, among others, the overt acts described in Counts 2 through 7 of this Indictment, incorporated herein by reference.

All in violation of Title 18, United States Code, Section 371.

The Grand Jury further charges:

COUNT 2

(Securities Fraud)

1. Sections A, C, and D of Count 1 of this Indictment are incorporated in this paragraph as if fully set forth herein.
2. Beginning in or about 1995 and continuing through on or about August 27, 1999, in the Northern District of Ohio and

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elsewhere, the defendant ERIC V. BARTOLI, together with other persons known and unknown to the Grand Jury, unlawfully, knowingly, and willfully, directly and indirectly, by the use of means and instrumentalities of interstate commerce, and of the mails, did use and employ, in connection with the purchases and sales of securities issued to the investors listed below, manipulative and deceptive devices and contrivances in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary to make the statements made, in light of the circumstances in which they were made, not misleading; and (c) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon other persons. Each investment set forth below constitutes a representative sample of the purchase and sale of securities through the use by defendant of such manipulative and deceptive devices and contrivances, as follows:

	Date	Investor	Investment
(1)	2/10/95	Sergio Magni Bonn, Germany	Purchase of 9,986 shares of Cyprus
(2)	7/7/95	Sergio Magni Bonn, Germany	Purchase of 23,910 shares of Cyprus

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	Date	Investor	Investment
(3)	11/13/95	Stefanie Suarez Miami FL	Purchase of 5,494 shares of Cyprus
(4)	2/21/96	Suzanne Spacek Toledo OH	Investment of \$10,000 in Flanders
(5)	4/20/96	Norma Fuller Sarasota FL	Purchase of 830.7 shares of Cyprus
(6)	4/22/96	Lewis Fuller Sarasota FL	Purchase of 5,724.8 shares of Cyprus; Purchase of 28,047 shares of Cyprus
(7)	4/25/96	Susana Brito Miami FL	Purchase of 7,685 shares of Cyprus
(8)	6/25/96	Lewis Fuller Sarasota FL	Purchase of 14,888.34 shares of Cyprus
(9)	9/16/96	Oscar Pacheco Quito, Ecuador	Purchase of 1,885 shares of Cyprus
(10)	11/8/96	Stefanie Suarez Miami FL	Purchase of 2,329.9 shares of Cyprus
(11)	11/11/96	Lawrence Miller Reed City MI	Purchase of 43,402.78 shares of Cyprus
(12)	3/17/97	Asset Investment Jean Miller Reed City MI	Purchase of 2,642.82 shares of Cyprus
(13)	6/30/97	Asset Investment Co. Reed City MI	Purchase of 20,903.123 shares of Cyprus

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	Date	Investor	Investment
(14)	7/22/97	Anola Decker Harbor Springs MI	Purchase of 10,526.316 shares of Cyprus
(15)	11/6/97	Asset Investment Jean Miller Reed City MI	Purchase of 604.108 shares of Cyprus
(16)	1/12/98	Magdalena Bastidas Quito, Ecuador	Purchase of 3,131 shares of Cyprus
(17)	2/13/98	Jean Miller Reed City MI	Purchase of 1,161.89 shares of Cyprus
(18)	3/2/98	Fondo de Cesantia Quito, Ecuador	Purchase of 9,561 shares of Cyprus
(19)	3/12/98	Magdalena Bastidas Quito, Ecuador	Purchase of 9,362 shares of Cyprus
(20)	4/24/98	Fondo de Cesantia Quito, Ecuador	Purchase of 11,167 shares of Cyprus
(21)	5/8/98	Fondo de Cesantia Quito, Ecuador	Purchase of 11,064 shares of Cyprus
(22)	6/1/98	Juan Correa Santiago, Chile	Purchase of 90,645 shares of Cyprus
(23)	6/29/98	Fondo de Cesantia Quito, Ecuador	Purchase of 5,579 shares of Cyprus
(24)	8/7/98	America Bastidas Quito, Ecuador	Purchase of 5,903.60 shares of Cyprus
(25)	8/7/98	Magdalena Bastidas Quito, Ecuador	Purchase of 647.21 shares of Cyprus

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	Date	Investor	Investment
(26)	8/24/98	Magdalena Bastidas Quito, Ecuador	Purchase of 680.7 shares of Cyprus
(27)	8/25/98	Melissa Schaeffer Sandusky OH	Purchase of 2,745.367 shares of Cyprus
(28)	8/28/98	Fondo de Cesantia Quito, Ecuador	Purchase of 15,876 shares of Cyprus
(29)	9/4/98	Juan Correa Santiago, Chile	Purchase of 34,013 shares of Cyprus
(30)	10/7/98	Magdalena Bastidas Quito, Ecuador	Purchase of 433.50 shares of Cyprus
(31)	10/23/98	Celia Herrera Quito, Ecuador	Purchase of 1,249 shares of Cyprus
(32)	10/29/98	Julio Lopez Quito, Ecuador	Purchase of 59,681.69 shares of Cyprus
(33)	11/5/98	Fondo de Cesantia Quito, Ecuador	Purchase of 13,171 shares of Cyprus
(34)	11/23/98	Robert Aikman Ellenton FL	Investment of \$172,926.10 in Cyprus
(35)	1/20/99	Julio Lopez Quito, Ecuador	Purchase of 18,627 shares of Cyprus
(36)	1/26/99	Paul Weston Ft. Gibson OK	Purchase of 17,435.76 shares of Cyprus
(37)	2/10/99	Hugo Vejar Quito, Ecuador	Purchase of 9,500.88 shares of Cyprus

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	Date	Investor	Investment
(38)	2/17/99	Julio Lopez Quito, Ecuador	Purchase of 41,083.33 shares of Cyprus
(39)	2/26/99	Asset Investment Co. Reed City MI	Purchase of 53,023.88 shares of Cyprus; Purchase of 4,726.79 shares of Cyprus
(40)	3/2/99	Julio Lopez Quito, Ecuador	Purchase of 6,293 shares of Cyprus
(41)	3/10/99	Oscar Pacheco Quito, Ecuador	Purchase of 457.177 shares of Cyprus
(42)	3/18/99	Lenin Bastidas Quito, Ecuador	Purchase of 2,730.9 shares of Cyprus
(43)	3/24/99	Hugo Vejar Quito, Ecuador	Purchase of 1,561.48 shares of Cyprus
(44)	4/13/99	Hugo Vejar Quito, Ecuador	Purchase of 2,778 shares of Cyprus
(45)	5/1/99	Steven Kelley Greenwood WV	Purchase of 1,990.811 shares of Cyprus
(46)	5/12/99	Hugo Vejar Quito, Ecuador	Purchase of 913.9 shares of Cyprus
(47)	5/14/99	Albert Lewis Morgantown WV	Purchase of 52,882.170 shares of Cyprus
(48)	6/18/99	Richard McCullough Greenwood WV	Purchase of 29,778.981 shares of Cyprus

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	Date	Investor	Investment
(49)	6/23/99	Suzanne Spacek Toledo OH	Purchase of 1,255.980 shares of Cyprus
(50)	6/23/99	Suzanne Spacek Milan OH	Purchase of 732.655 shares of Cyprus
(51)	7/1/99	Paul Doxsee Massillon OH	Purchase of 7,458.233 shares of Cyprus; Purchase of 1,668.060 shares of Cyprus
(52)	7/1/99	Anne Smith Massillon OH	Purchase of 2,386.634 shares of Cyprus

All in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a), Title 17, Code of Federal Regulations, Section 240.10b-5, and Title 18, United States Code, Section 2.

The Grand Jury further charges:

COUNT 3

(Sale of Unregistered Securities)

1. Sections A, C, and D of Count 1 of this Indictment are incorporated in this paragraph as if fully set forth herein.
2. Beginning in or about 1995 and continuing through on or about August 27, 1999, in the Northern District of Ohio and elsewhere, the defendant, ERIC V. BARTOLI, together with others known and unknown to the Grand Jury, knowingly, willfully and unlawfully, directly and indirectly, did (a) make use of means and instruments of transportation and communication in interstate

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commerce and the mails, to sell a security, namely Cyprus Funds shares, through the use and medium of a prospectus and otherwise; and (b) carry and cause to be carried through the mails and in interstate commerce, by means and instruments of transportation, a security, namely, shares of Cyprus Funds, for the purpose of sale and for delivery after sale, there not then being, in effect with the SEC, a registration statement as to such security, or an applicable exemption from registration with the SEC.

All in violation of Title 15, United States Code, Sections 77e(a) and 77x and Title 18, United States Code, Section 2.

The Grand Jury further charges:

COUNT 4

(Wire Fraud)

1. Sections A, C, and D of Count 1 of this Indictment are incorporated in this paragraph as if fully set forth herein.

2. Beginning in or about 1995 and continuing through on or about August 27, 1999, in the Northern District of Ohio and elsewhere, the defendant, ERIC V. BARTOLI, together with others known and unknown to the Grand Jury, having devised and intended to devise the above-described scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, did, for the purpose of executing such scheme or artifice, knowingly and willfully transmit and cause to be transmitted, by wire communication in

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interstate and foreign commerce, the writings, signs, signals, pictures, and sounds described below, each of which constitutes a representative sample of the use of wire communications in interstate and foreign commerce in furtherance of the scheme and artifice to defraud, as follows:

Wires

	Date	Sender	Sent To	Description of Item
(a)	6/25/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia Bank account, Miami FL	Wire Transfer of \$30,000
(b)	6/27/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia Bank account, Miami FL	Wire Transfer of \$25,000
(c)	7/15/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$25,000
(d)	7/17/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$12,500
(e)	7/25/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$9,000
(f)	9/18/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$40,000
(g)	9/23/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$27,000

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	Date	Sender	Sent To	Description of Item
(h)	9/25/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$25,000
(i)	10/8/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$25,000
(j)	11/8/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$17,000
(k)	11/15/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$35,000
(l)	11/29/96	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$200,000
(m)	2/3/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$20,000
(n)	2/13/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$21,000
(o)	2/25/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$30,977.18
(p)	2/26/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$75,000

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	Date	Sender	Sent To	Description of Item
(q)	3/4/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$50,000
(r)	3/26/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$25,000
(s)	4/7/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$26,000
(t)	4/10/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$15,000
(u)	4/14/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$5,000
(v)	4/15/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$25,000
(w)	4/17/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$22,000
(x)	4/18/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$12,000
(y)	4/29/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$25,000

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	Date	Sender	Sent To	Description of Item
(z)	6/26/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$22,000
(aa)	7/24/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$25,000
(bb)	8/27/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$50,000
(cc)	8/29/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$75,000
(dd)	9/3/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$75,000
(ee)	9/12/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$125,000
(ff)	9/24/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$50,000
(gg)	10/2/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$102,000
(hh)	10/10/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$80,000

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	Date	Sender	Sent To	Description of Item
(ii)	10/29/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$35,000
(jj)	11/10/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$25,000
(kk)	11/13/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$35,000
(ll)	11/20/97	Cyprus KeyBank account, Canton OH	Flanders Wachovia account, Miami FL	Wire Transfer of \$75,000
(mm)	10/23/98	Cyprus First Union account, Jacksonville FL	Arturo Delgado Lima, Peru	Wire Transfer of \$45,000
(nn)	11/04/98	Alfredo Calmet Lima, Peru	Cyprus First Union account, Jacksonville FL	Wire Transfer of \$35,000
(oo)	11/23/98	Cyprus First Union account, Miami FL	Jaime and Lucia Castagnino Lima, Peru	Wire Transfer of \$25,000
(pp)	12/09/98	Cyprus First Union account, Jacksonville FL	Arturo Delgado, Lima, Peru	Wire Transfer of \$25,000
(qq)	12/16/98	Cyprus First Union account, Miami FL	Marcelo Baez Quito, Ecuador	Wire Transfer of \$161,527.65

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	Date	Sender	Sent To	Description of Item
(rx)	1/06/99	Cyprus First Union account, Jacksonville FL	Arturo Delgado Lima, Peru	Wire Transfer of \$25,000
(ss)	2/26/99	Alicia del Carmen Celedo Fullerton CA	Cyprus First Union account, Miami FL	Wire Transfer of \$18,730.30
(tt)	2/26/99	Cyprus KeyBank account, Canton OH	Edda Delgado Lima, Peru	Wire Transfer of \$100,000
(uu)	3/29/99	Cyprus First Union account, Jacksonville FL	Arturo Delgado Lima, Peru	Wire Transfer of \$25,000
(vv)	4/21/99	Cyprus First Union account, Jacksonville FL	Raymond Reese Wilmington OH	Wire Transfer of \$35,000
(ww)	4/28/99	Cyprus First Union account, Jacksonville FL	Juan Correa Santiago, Chile	Wire Transfer of \$50,000
(xx)	4/30/99	Victor Ojeda Chirichnigno Lima, Peru	Cyprus First Union account Jacksonville FL	Wire Transfer of \$30,000
(yy)	4/30/99	Cyprus First Union account, Miami FL	Juan Correa Carrain Santiago, Chile	Wire Transfer of \$25,000

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	Date	Sender	Sent To	Description of Item
(zz)	6/18/99	Cyprus First Union account, Miami FL	Robert Hopper Palos Hills IL	Wire Transfer of \$50,000

All in violation of Title 18, United States Code, Sections 1343 and 2.

The Grand Jury further charges:

COUNT 5

(Mail Fraud)

1. Sections A, C, and D of Count 1 of this Indictment are incorporated here by reference as if fully set forth herein.
2. Beginning in or about 1995 and continuing through on or about August 27, 1999, in the Northern District of Ohio and elsewhere, the defendant, ERIC V. BARTOLI, together with others known and unknown to the Grand Jury, having devised and intended to devise the above-described scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, did, for the purpose of executing such scheme and artifice and attempting so to do, knowingly and willfully send and deliver, cause to be sent and delivered, by the United States Postal Service and other private and commercial interstate carriers according to the directions thereon, the items listed below, each of which constitutes a representative sample of the use of the mails in furtherance of

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the scheme and artifice to defraud, as follows:

	Date	Sent From	Sent To	Description of Item
(a)	6/1/95	Cyprus Cayman Islands, British West Indies	Robert Gill Magnolia OH	Newsletter claiming Cyprus growth
(b)	7/3/95	Cyprus Cayman Islands, British West Indies	Betty Keener Doylestown OH	Statement claiming share growth
(c)	2/1/96	Cyprus/LASCO Doylestown OH	Foltz Family Trust Wooster OH	Statement claiming share growth
(d)	5/1/96	Cyprus/LASCO Doylestown OH	Betty Kramarz Seven Hills OH; Dorothy Miller Canton OH; Andrew Obyrtos Seven Hills OH; Marjorie Statler Amherst OH	Statement claiming share growth
(e)	6/1/96	Cyprus/LASCO Doylestown OH	Robert Hockenberry Massillon OH; Betty Keener Hayesville OH	Statement claiming share growth
(f)	8/1/96	Cyprus/LASCO Doylestown OH	Betty Kramarz Seven Hills OH	Statement claiming share growth
(g)	9/1/96	Cyprus/LASCO Doylestown OH	Robert Hockenberry Massillon OH; Betty Keener Hayesville OH	Statement claiming share growth

mailings

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	Date	Sent From	Sent To	Description of Item
(h)	9/2/96	Cyprus/LASCO Doylestown OH	Stefanie Suarez Miami FL	Statement claiming share growth
(i)	10/1/96	Cyprus/LASCO Doylestown OH	Foltz Family Trust Wooster OH	Statement claiming share growth
(j)	12/1/96	Cyprus/LASCO Doylestown OH	Lewis Fuller Sarasota FL; Parch Family Trust Akron OH	Statement claiming share growth
(k)	1/1/97	Cyprus/LASCO Doylestown OH	Betty Keener Hayesville OH; Angelo Procario Bonita Springs FL	Statement claiming share growth
(l)	2/1/97	Cyprus/LASCO Doylestown OH	David Shaffer Barberton OH	Statement claiming share growth
(m)	3/1/97	Cyprus/LASCO Doylestown OH	Doris Freed Elyria OH	Statement claiming share growth
(n)	4/1/97	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Justine Cunningham Shaker Hts OH; James Vaughan N. Canton OH	Statement claiming share growth

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	Date	Sent From	Sent To	Description of Item
(o)	5/1/97	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; William Flickinger Massillon OH; Flickinger Family Trust Massillon OH; Doris Freed Elyria OH; Robert Hockenberry Massillon OH; David Shaffer Barberton OH	Statement claiming share growth
(p)	6/1/97	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH Ruth Smith Sandusky OH	Statement claiming share growth
(q)	7/1/97	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Joyce Outzen N. Canton OH	Statement claiming share growth
(r)	8/1/97	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Feltz Family Trust Wooster OH; Goetsch Family Trust S. Euclid OH	Statement claiming share growth
(s)	9/1/97	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Joyce Outzen N. Canton OH	Statement claiming share growth

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	Date	Sent From	Sent To	Description of Item
(t)	10/1/97	Cyprus/LASCO Doylestown OH	Anna Flournoy Sandusky OH; Carol Chaloupka Northfield OH	Statement claiming share growth
(u)	11/1/97	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Janet Kennedy Massillon OH	Statement claiming share growth
(v)	12/1/97	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Marjorie Schludecker Massillon OH	Statement claiming share growth
(w)	1/1/98	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH	Statement claiming share growth
(x)	1/8/98	LASCO Marshallville OH	Janis Chaffey Canton OH; Carol Chaloupka Northfield OH; Robert Gill Magnolia OH	Newsletter claiming Cyprus growth
(y)	2/1/98	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Goetsch Family Trust S. Euclid OH	Statement claiming share growth
(z)	2/2/98	Cyprus/LASCO Marshallville OH	America Bastides Quito, Ecuador	Statement claiming share growth
(aa)	3/1/98	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH	Statement claiming share growth

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	Date	Sent From	Sent To	Description of Item
(bb)	3/2/98	Cyprus/LASCO Marshallville OH	Sergio Magni Bonn, Germany	Statement claiming share growth
(cc)	3/2/98	LASCO Marshallville OH	Eugene Schaeffer Milan OH	Newsletter claiming Cyprus growth
(dd)	4/1/98	Cyprus/LASCO Doylestown OH	Fondo de Cesantia Quito, Ecuador; Robert Becker Wooster OH; Carol Chaloupka Northfield OH; Robert Feldkircher Parma OH; Jones Asset Investment Co. Canton OH; Martin Malensek Burton OH	Statement claiming share growth
(ee)	4/2/98	LASCO Marshallville OH	Carol Chaloupka Northfield OH	Newsletter claiming Cyprus growth

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	Date	Sent From	Sent To	Description of Item
(ff)	5/1/98	Cyprus/LASCO Marshallville OH	Fondo de Cesantia Quito, Ecuador; Carol Chaloupka Northfield OH; Robert Feldkircher Parma OH; Martin Malensek Burton OH; Randall Mihalek Cleveland OH	Statement claiming share growth
(gg)	5/2/98	LASCO Marshallville OH	Carol Chaloupka Northfield OH; Robert Feldkircher Parma OH	Newsletter claiming Cyprus growth
(hh)	6/1/98	Cyprus/LASCO Doylestown OH	Fondo de Cesantia Quito, Ecuador; Carol Chaloupka Northfield OH; Flickinger Family Trust Massillon OH; Martin Malensek Burton OH; Chad Ramseyer Sterling OH	Statement claiming share growth
(ii)	6/2/98	Cyprus/LASCO Marshallville OH	Carol Chaloupka Northfield OH	Newsletter claiming Cyprus growth

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	Date	Sent From	Sent To	Description of Item
(jj)	7/1/98	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Robert Feldkircher Parma OH; June Kanchuk Brooklyn OH	Statement claiming share growth
(kk)	7/2/98	Cyprus/LASCO Marshallville OH	Carol Chaloupka Northfield OH	Newsletter claiming Cyprus growth
(ll)	8/1/98	Cyprus/LASCO Doylestown OH	Fondo de Cesantia Quito, Ecuador; Carol Chaloupka Northfield OH; Juan Correa Santiago, Chile; Robert Hockenberry Massillon OH; June Kanchuk Brooklyn OH; Martin Malensek Burton OH; Leona Tomassetti Wooster OH	Statement claiming share growth
(mm)	8/1/98	Cyprus/LASCO Marshallville OH	Carol Chaloupka Northfield OH; Charles Helmick Doylestown OH; Allan Jarr Strongsville OH	Newsletter claiming Cyprus growth

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	Date	Sent From	Sent To	Description of Item
(nn)	9/1/98	Cyprus/LASCO Doylestown OH	America Bastidas Quito, Ecuador; Fondo de Cesantia Quito, Ecuador; Robert Becker Wooster OH; Timothy Cartwright E. Sparta OH; Carol Chaloupka Northfield OH; Albert Garvey Chardon OH; Martin Malensek Burton OH; Beverly Nelson Wadsworth OH	Statement claiming share growth
(oo)	9/1/98	Cyprus/LASCO Marshallville OH	Timothy Cartwright E. Sparta OH; Carol Chaloupka Northfield OH	Newsletter claiming Cyprus growth

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	Date	Sent From	Sent To	Description of Item
(pp)	10/1/98	Cyprus/LASCO Marshallville OH	Fondo de Cesantia Quito, Ecuador; Carol Chaloupka Northfield OH; Justine Cunningham Chagrin Falls OH; Elaine Malensek Burton OH; Martin Malensek Burton OH; McCracken Family Trust Elyria OH; Beverly Nelson Wadsworth OH; Joyce Outzen N. Canton OH; Angelica Salas Santiago, Chile	Statement claiming share growth
(qq)	10/1/98	LASCO Marshallville OH	Carol Chaloupka Northfield OH; McCracken Family Trust Elyria OH	Newsletter claiming Cyprus growth

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	Date	Sent From	Sent To	Description of Item
(xx)	11/1/98	Cyprus/LASCO Doylestown OH	Rolland Beatty Clinton OH; Robert Becker Wooster OH; Carol Chaloupka Northfield OH; Albert Garvey Chardon OH; Martin Malensek Burton OH; McCracken Family Trust Elyria OH; Jimmie Mujais Canton OH	Statement claiming share growth
(ss)	11/1/98	LASCO Marshallville OH	Carol Chaloupka Northfield OH; McCracken Family Trust Elyria OH	Newsletter claiming Cyprus growth
(tt)	11/2/98	Cyprus/LASCO Marshallville OH	Fondo de Cesantia Quito, Ecuador; Julio Lopez Quito, Ecuador; Elaine Malensek Burton OH	Statement claiming share growth

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	Date	Sent From	Sent To	Description of Item
(uu)	12/1/98	Cyprus/LASCO Doylestown OH	Fondo de Cesantia Quito, Ecuador; Carol Chaloupka Northfield OH; Martha Cowley Las Vegas NV; George Frazier Elyria OH; Elaine Malensek Burton OH; Martin Malensek Burton OH; Randall Mihalek Cleveland OH	Statement claiming share growth
(vv)	12/1/98	LASCO Marshallville OH	Carol Chaloupka Northfield OH; Allan Jarr Strongsville OH; Eugene Schaeffer Milan OH	Newsletter claiming Cyprus growth
(ww)	12/31/98	LASCO Marshallville OH	Robert Aikman Seville OH; Carol Chaloupka Northfield OH; Frank DuLiban Shaker Hts OH; Allan Jarr Strongsville OH	Newsletter claiming 1998 growth

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	Date	Sent From	Sent To	Description of Item
(xx)	1/1/99	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Frank DuLiban Shaker Hts OH; Albert Garvey Wooster OH; Catherine Goetsch Richmond Hts OH; Goetsch Family Trust Richmond Hts OH; Elaine Malensek Burton OH; Martin Malensek Burton OH; Randall Mihalek Cleveland OH	Statement claiming share growth
(yy)	1/02/99	Cyprus/LASCO Doylestown OH	Fondo de Cesantia Quito, Ecuador	Statement claiming share growth

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	Date	Sent From	Sent To	Description of Item
(zz)	2/1/99	Cyprus/LASCO Doylestown OH	Fondo de Cesantia Quito, Ecuador; Carol Chaloupka Northfield OH; Justine Cunningham Chagrin Falls OH; Frank DuLiban Shaker Hts OH; Albert Garvey Wooster OH; Betty Keener Hayesville OH; Julio Lopez Quito, Ecuador; Elaine Malensek Burton OH; Martin Malensek Burton OH; Paul Weston Ft. Gibson OK	Statement claiming share growth
(aaa)	2/1/99	LASCO Marshallville OH	Carol Chaloupka Northfield OH; Allan Jarr Strongsville OH	Newsletter claiming Cyprus growth
(bbb)	2/18/99	Cyprus/LASCO Marshallville OH	Julio Lopez Quito, Ecuador	Statement claiming share growth

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	Date	Sent From	Sent To	Description of Item
(ccc)	3/1/99	Cyprus/LASCO Doylestown OH	Fondo de Cesantia Quito, Ecuador; Carol Chaloupka Northfield OH; Margaret Douglass Massillon OH; Frank DuLiban Shaker Hts OH; Albert Garvey Wooster OH; Robert Hockenberry Massillon OH; Elaine Malensek Burton OH; Martin Malensek Burton OH; Scott West Kidron OH; Paul Weston Ft. Gibson OK	Statement claiming share growth
(ddd)	3/1/99	LASCO Marshallville OH	Roy Antoniussen Westlake OH; Carol Chaloupka Northfield OH; Frank DuLiban Shaker Hts OH; Allan Jarr Strongsville OH	Newsletter claiming Cyprus growth

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	Date	Sent From	Sent To	Description of Item
(eee)	4/1/99	Cyprus/LASCO Doylestown OH	Fondo de Cesantia Quito, Ecuador; Carol Chaloupka Northfield OH; Margaret Douglass Massillon OH; Albert Garvey Wooster OH; Julio Lopez Quito, Ecuador; Elaine Malensek Burton OH; Martin Malensek Burton OH; Scott West Kidron OH; Paul Weston Ft. Gibson OK	Statement claiming share growth
(fff)	4/1/99	LASCO Marshallville OH	Carol Chaloupka Northfield OH; Allan Jarr Strongsville OH; Joanne Jolliff Wooster OH	Newsletter claiming Cyprus growth

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	Date	Sent From	Sent To	Description of Item
(ggg)	5/1/99	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Margaret Douglass Massillon OH; Frank DuLiban Shaker Hts OH; Albert Garvey Dennison OH; Catherine Goetsch Richmond Hts OH; Fabienne Jenoir Ravenna OH; Elaine Malensek Burton OH; Martin Malensek Burton OH; McCracken Family Trust Elyria OH; Scott West Kidron OH; Paul Weston Ft. Gibson OK	Statement claiming share growth
(hhh)	5/3/99	Cyprus/LASCO Doylestown OH	Fondo de Cesantia Quito, Ecuador; Hugo Vejar Quito, Ecuador	Statement claiming share growth

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	Date	Sent From	Sent To	Description of Item
(iii)	6/1/99	Cyprus/LASCO Doylestown OH	Fondo de Cesantia Quito, Ecuador; Carol Chaloupka Northfield OH; Margaret Douglass Massillon OH; Frank DuLiban Shaker Hts OH; George Frazier Elyria OH; Albert Garvey Dennison OH; Fabienne Jenoix Ravenna OH; Betty Keener Hayesville OH; Steven Kelley Greenwood WV; Albert Lewis Morgantown WV; Martin Malensek Burton OH; McCracken Family Trust Elyria OH; Oscar Pacheco Union City NJ; James Vicars Wooster OH; Donna Wilcox Wooster OH; Scott West Kidron OH; Paul Weston Ft. Gibson OK Kidron OH	Statement claiming share growth

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	Date	Sent From	Sent To	Description of Item
(jjj)	6/1/99	LASCO Marshallville OH	Roy Antoniussen Westlake OH; Janis Chaffey Canton OH; Carol Chaloupka Northfield OH; Anola Decker Harbor Springs MI; Allan Jarr Strongsville OH; Ruth Smith Sandusky OH	Newsletter

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	Date	Sent From	Sent To	Description of Item
(kkk)	7/1/99	Cyprus/LASCO Doylestown OH	Carol Chaloupka Northfield OH; Margaret Douglass Massillon OH; Anna Flourney Sandusky OH; Forest Fulk Ashland OH; Albert Garvey Dennison OH; Darlena Hattery Massillon OH; Hively Family Trust Northfield OH; Dorsey Hosey Grafton OH; Joanne Jolliff Wocster OH; Steven Kelley Greenwood WV; Ann Levitsky Kent OH; Elaine Malensek Burton OH; Martin Malensek Burton OH; McCracken Family Trust Elyria OH; Richard McCullough Greenwood WV; Jean Miller Reed City MI; Beverly Nelson Wadsworth OH; Marjorie Statler	Statement claiming share growth

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	Date	Sent From	Sent To	Description of Item
(111)	7/1/99	Cyprus Doylestown OH	Doris Flesher Akron OH Allan Jarr Strongsville OH; Joanne Jolliff Wooster OH; Steven Kelley Greenwood WV; Eugene Schaeffer Milan OH; Carol Chaloupka Northfield OH	Newsletter

All in violation of Title 18, United States Code, Sections 1341 and 2.

The Grand Jury further charges:

COUNT 6

(Money Laundering)

1. Sections A, C, and D of Count 1 of this Indictment are incorporated in this paragraph as if fully set forth herein.

2. Beginning in or about 1995 and continuing through on or about August 27, 1999, in the Northern District of Ohio and elsewhere, the defendant, ERIC V. BARTOLI, together with others known and unknown to the Grand Jury, did knowingly and willfully conduct and attempt to conduct the financial transactions set forth below affecting interstate and foreign commerce, which involved the proceeds of specified unlawful activities, that is,

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mail fraud, wire fraud, and securities fraud, knowing that such transactions were designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activities, and that while conducting and attempting to conduct such financial transactions knew that the property involved in the financial transactions, that is funds and monetary instruments in the amounts set forth below, represented the proceeds of some form of unlawful activity; each transaction identified below constitutes a representative sample of such financial transactions, as follows:

	Date	Description of Financial Transaction
(a)	1/22/96 through 12/21/98	Checks, bank transfers, and wire transfers from Cyprus accounts to the Flanders account
(b)	7/15/96 through 12/30/98	Checks written from Cyprus accounts to B&S Enterprises/ B&S Business and deposited into the B&S Business Corp. account
(c)	8/8/96 through 12/7/98	Checks written from Cyprus and Flanders to Astro Fireplace/Roger Johnson
(d)	9/5/96 through 1/27/99	Checks written from Cyprus and Flanders to H&S Builders
(e)	10/2/96 through 3/24/98	Checks written from Cyprus and Flanders to Pride Plumbing
(f)	11/18/96 through 10/6/97	Checks written from Cyprus and Flanders to Kidron Carriage House

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	Date	Description of Financial Transaction
(g)	2/18/97 through 4/7/99	Checks written from Cyprus and Flanders to James Steiner/Steiner Fencing
(h)	3/31/97 through 3/16/98	Checks written from Cyprus and Flanders to Artfind Tile
(i)	5/29/97 through 8/3/98	Checks written from Cyprus accounts to B&S Beef and deposited into the B&S Beef Corp. account
(j)	5/29/97 through 8/3/98	Checks written from Cyprus accounts to B&S Grain and deposited into the B&S Grain Corp. account
(k)	6/4/97 through 12/8/98	Checks written from Cyprus and Flanders to Fishbaugh Construction Co.
(l)	6/30/97 through 12/21/98	Checks written from Cyprus and Flanders to B&K Concrete Construction
(m)	7/30/97 through 8/6/98	Checks written from Cyprus and Flanders to Mahnen Machinery
(n)	8/28/97 through 2/4/99	Checks written from Cyprus and Flanders to Stonehill Finishing
(o)	10/6/97 through 1/14/98	Checks written from Cyprus and Flanders to Kendrick Construction
(p)	7/31/98 through 11/30/98	Checks written from Cyprus accounts to B&S Farms and deposited into the B&S Farms account
(q)	7/31/97 through 12/28/98	Checks written from Cyprus accounts to Semaphore and deposited into the Semaphore account

All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

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The Grand Jury further charges:

COUNT 7

(Money Laundering)

1. Sections A, C, and D of Count 1 of this Indictment are incorporated in this paragraph as if fully set forth herein.

2. Beginning in or about 1995 and continuing through on or about August 27, 1999, in the Northern District of Ohio and elsewhere, the defendant, ERIC V. BARTOLI, together with others known and unknown to the Grand Jury, did knowingly and willfully engage and attempt to engage in the monetary transactions set forth below by, through, and to the financial institutions identified below, which monetary transactions affected interstate and foreign commerce, in criminally derived property of a value greater than \$10,000, such property having been derived from specified unlawful activities, that is mail fraud, wire fraud, and securities fraud; each monetary transaction set forth below constitutes a representative sample of such monetary transactions, as follows:

	Date	Amount	Description of Monetary Transaction
(a)	4/30/97	\$30,000.00	Cyprus check payable to Maibach Ford Inc.
(b)	5/5/97	\$137,500.00	Cyprus check payable to James Kemp; down payment to purchase Kemp Farm
(c)	5/6/97	\$210,000.00	Cyprus check payable to Kropf, Wagner & Hohenberger

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	Date	Amount	Description of Monetary Transaction
(d)	6/9/97	\$100,000.00	Cyprus check payable to Fishbaugh Construction
(e)	7/16/97	\$100,000.00	Cyprus check payable to Fishbaugh Construction
(f)	8/1/97	\$72,018.00	Flanders wire transfer to Johnson & Parrish Agency; down payment to purchase Crandall property
(g)	8/20/97	\$130,905.28	Cyprus wire transfer to Kropf, Wagner & Hohenberger
(h)	9/3/97	\$168,904.07	Cyprus check payable to Fishbaugh Construction
(i)	9/16/97	\$100,000.00	Cyprus check payable to Fishbaugh Construction
(j)	10/24/97	\$47,485.39	Cyprus check payable to Fred Godard Ford
(k)	11/10/97	\$112,461.50	Flanders check payable to Buckeye Sealcoating
(l)	12/6/97	\$250,000.00	B&S Beef check payable to Kropf, Wagner & Hohenberger; down payment to purchase Steiner Farm
(m)	12/8/97	\$75,000.00	Cyprus check payable to Kropf, Wagner & Hohenberger
(n)	1/9/98	\$73,427.00	Cyprus check payable to Eli Miller for purchase of Miller Farm
(o)	2/17/98	\$495,400.00	Cyprus wire transfer to Heartland Title Agency
(p)	5/4/98	\$21,641.64	Flanders check payable to Mercedes Benz Credit Corp.
(q)	7/8/98	\$21,237.58	Cyprus check payable to Ganley Akron Inc.
(r)	7/21/98	\$32,949.10	Cyprus check payable to Maibach Ford Inc.

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	Date	Amount	Description of Monetary Transaction
(s)	12/4/98	\$50,000.00	Cyprus check payable to Ganley Akron Inc.
(t)	1/20/99	\$50,000.00	Cyprus check payable to Ganley Akron Inc.
(u)	6/9/99	\$97,000.00	Cyprus check payable to James Kemp for purchase of Kemp Farm

All in violation of Title 18, United States Code, Sections 1957 and 2.

The Grand Jury further charges:

COUNT 8

(Attempted Income Tax Evasion)

On or about October 14, 1997, in the Northern District of Ohio, Eastern Division, defendant ERIC V. BARTOLI, a resident of Marshallville, Ohio, did willfully attempt to evade and defeat a large part of the income tax due and owing by him to the United States of America for the calendar year 1996, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Individual Income Tax Return, Form 1040, on his behalf, which was filed with the Internal Revenue Service, wherein it was stated that his taxable income for said calendar year was \$16,100 and that the amount of income tax due and owing thereon was \$2,419, whereas, as the defendant then and there well knew and believed, his taxable income for said

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calendar year was approximately \$1,359,352.97, upon which said income there was an income tax due and owing to the United States of America of approximately \$513,304.00.

All in violation of Title 26, United States Code, Section 7201.

The Grand Jury further charges:

COUNT 9

(Attempted Income Tax Evasion)

On or about October 18, 1998, in the Northern District of Ohio, Eastern Division, defendant ERIC V. BARTOLI, a resident of Marshallville, Ohio, did willfully attempt to evade and defeat a large part of the income tax due and owing by him to the United States of America for the calendar year 1997, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Individual Income Tax Return, Form 1040, on his behalf, which was filed with the Internal Revenue Service, wherein it was stated that his taxable income for said calendar year was \$41,219 and that the amount of income tax due and owing thereon was \$6,187, whereas, as the defendant then and there well knew and believed, his taxable income for said calendar year was approximately \$7,331,650.87, upon which said income there was an income tax due and owing to the United States of America of approximately \$2,876,061.00.

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All in violation of Title 26, United States Code, Section 7201.

The Grand Jury further charges:

COUNT 10

(Attempted Income Tax Evasion)

During calendar year 1998, defendant ERIC V. BARTOLI, a resident of Marshallville, Ohio, had and received a taxable income of approximately \$3,362,863.57, upon which there was an income tax owing to the United States of America of approximately \$1,305,298.00; well knowing and believing the foregoing facts, defendant ERIC V. BARTOLI, from on or about January 1, 1998, through on or about April 15, 1999, in the Northern District of Ohio, Eastern Division, did willfully attempt to evade and defeat said income tax due and owing by him to the United States of America for said calendar year by failing to make an income tax return on or before April 15, 1999, as required by law, to any proper officer of the Internal Revenue Service, by failing to pay to the Internal Revenue Service said income tax, and by concealing and attempting to conceal from all proper officers of the United States of America his true and correct income through the following means: (1) receiving income through the diversion of receipts and other funds from businesses and other entities he controlled, and (2) using trusts and common-law business organizations to conceal his receipt and disposition of income.

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All in violation of Title 26, United States Code, Section
7201.

A TRUE BILL:



Foreperson



J. Matthew Cain
Acting United States Attorney