

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF NORTH CAROLINA  
CHARLOTTE DIVISION

**FILED**  
CHARLOTTE, N. C.  
JUL 11 2005  
U. S. DISTRICT COURT  
W. DIST. OF N. C.

IN RE: ALL FUNDS ON DEPOSIT IN )  
ACCOUNT NUMBER 000669829075 in )  
THE BANK OF MM APMC BANQUE DE )  
COMMERCE, INC., AT NATIONSBANK, )  
N.A., CONSISTING OF \$18,756,420.97, )  
MORE OR LESS. )

C.A. NO. 3:98mc96-McK

\_\_\_\_\_  
GEORGE AND DOLORES ROLLAR, )  
Plaintiffs, )

C.A. NO. 3:01CV205-McK

v. )

UNITED STATES OF AMERICA, et al., )  
Defendants, )

(CASES CONSOLIDATED)

RICHARD VASQUEZ, )  
Intervener. )

**RECEIVER'S RESPONSE TO VALENTINE OPPOSITION TO RECEIVER'S MOTION  
TO DISALLOW CLAIMS (DOCKET NO. 187)**

TO THE HONORABLE DAVID C. KEESLER, UNITED STATES MAGISTRATE JUDGE:

COMES NOW, the Receiver appointed in these proceedings and, hopefully for the last time, files this his Response to Valentine Opposition to Receiver's Motion to Disallow Claims (Docket No. 187) (hereinafter referred to as "Valentine Opposition") and in support of such would respectfully show unto the Court as follows:

1. Valentine Opposition raises nothing new and, instead, only confirms that Valentine has had over four years, during which time he was not incarcerated, to obtain the requested documents. Attached hereto collectively as Exhibit "A" are a December 2, 2002 letter and a February 24, 2003 letter from the Receiver to Valentine to which no adequate response has ever been made.

2. The Receiver does not dispute Valentine's purported ownership of the corporate shells at issue. However, ownership of the corporate stock does not equate to ownership of funds.

3. Ownership of funds continues to be the primary issue and conclusory statements of ownership are not sufficient evidence. Instead, the Receiver attaches hereto collectively as Exhibit "B" two additional letters which have recently been pulled from the files of the FBI, each of which again reference that others have an ownership interest, equitable or legal, to some of the funds at issue.

4. The request for additional time (many months if not years) until Valentine is no longer incarcerated will accomplish nothing in that he was given four years to do so while not incarcerated and such a delay will prevent this case from being closed and rightful claimants from being paid their funds immediately.

WHEREFORE, PREMISES CONSIDERED, the Receiver requests that upon final consideration of this matter that the Court disallow the claims in their entirety, or to the extent allowed, condition allowance upon absolute proof of ownership of the funds and for such other and further relief, general or special, at law or in equity, to which the Receiver may show himself justly entitled.

Respectfully submitted,

QUILLING SELANDER CUMMISKEY & LOWNDS, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas, 75201-4240  
(214) 871-2100 (Telephone)  
(214) 871-2111 (Facsimile)

By: 

\_\_\_\_\_  
Michael J. Quilling  
State Bar No. 16432300  
ATTORNEYS FOR RECEIVER

**CERTIFICATE OF SERVICE**

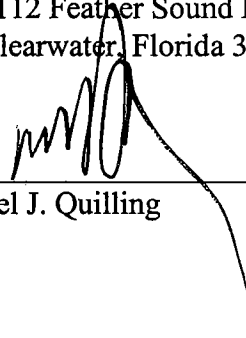
I hereby certify that on the 8<sup>th</sup> day of July, 2005 a true and correct copy of the foregoing document was sent via first class mail, with full and proper postage prepaid thereon, to:

William A. Brafford  
Assistant United States Attorney  
United States Attorney's Office for  
the Western District of North Carolina  
227 West Trade Street, Suite 1700  
Charlotte, North Carolina 28202

Rodney E. Alexander  
Mayer, Brown & Rowe & Maw  
214 N. Tryon Street, Suite 3800  
Charlotte, North Carolina 28202

Christopher W. Steward, Esq.  
3990 Old Town Avenue, Suite 205A  
San Diego, California 92110

Richard Vasquez  
2112 Feather Sound Drive  
Clearwater, Florida 33762



---

Michael J. Quilling

# **Exhibit “A”**

# QUILLING, SELANDER, CUMMISKEY & LOWNDS

A PROFESSIONAL CORPORATION  
ATTORNEYS AND COUNSELORS

2001 BRYAN STREET, SUITE 1800  
DALLAS, TEXAS 75201

MICHAEL J. QUILLING  
BOARD CERTIFIED  
BUSINESS BANKRUPTCY LAW  
AND CIVIL TRIAL LAW  
TEXAS BOARD OF LEGAL SPECIALIZATION

TELEPHONE: (214) 871-2100  
TELEFAX: (214) 871-2111

December 3, 2002

Mr. John Valentine  
627 H Street, #A-343  
Chula Vista, CA 91910

Re: Cause No. 3:98MC96-McK and 3:01CV205-McK, *George and Dolores Rollar v. United States of America, et al.*

Dear Mr. Valentine:

I am sorry that we have had difficulty connecting via telephone but my schedule has been very hectic. I am writing this letter so as to not delay things further and to make sure you understand what I need from you to further consider your claims.

To date I have received the following claims from you:

- A claim in the amount of \$600,000.00 (Claim #1)
- A claim in the amount of \$800,000.00 (Claim #2)
- A claim in the amount of \$4,200,000.00 (Claim #3)
- A claim in the amount of \$2,000,000.00 (Claim #4)
- A claim in the amount of \$1,980,000.00 (Claim #5)
- A claim in the amount of \$1,800,000.00 (Claim #6)

Each of these claims, as currently submitted, suffer from several deficiencies as to information and documentation which I need you to correct. I will address each claim in sequence below:

## CLAIM #1

- What is Oval Financial & Investment Group, Ltd., where was it created and who are its partners/members? I need copies of the creation papers.

December 3, 2002

Page 2

- The Agreement which you attach is only one page of two. I need a complete, legible copy.
- The addendum which you attach is dated before the Agreement and does not seem to relate to the Agreement. What is the connection?
- The Agreement states that \$600,000.00 is to be sent to account no. 1621944 at Barclays Bank, Turks & Caicos Islands in the name of Sterling Management Services, Inc. The bank records I have do not reflect such a deposit was ever made. I need a copy of the wire transfer advice(s) for the \$600,000.00 showing transfer of the funds from your account to the account to which the funds were actually sent. Your bank can provide such documentation to you.

CLAIM #2

- The two-page Agreement which you attach reflects that the funds were to be sent to the Barclays Bank account referenced in the paragraph above. The bank records I have do not reflect that such a deposit was ever made. I need a copy of the wire transfer advice(s) for the \$870,000.00 showing a transfer from your account to the account to which the funds were actually sent.
- Your claim form indicates that you received \$70,000.00 back with respect to your claim. I need a copy of the wire transfer advice(s) for the \$70,000.00 showing the bank account from which it originated and the deposit into your account.
- When was GREAT Global Riches, Economics & Treasures created and who are its owners/members? I need copies of the creation papers.
- Please send a legible copy of the document with the hand-written notes on it.

CLAIM #3

- You did not attach a copy of your contract to the claim form. I need a copy of it.
- The claim form indicated that a portion of the invested funds belong to Shane Kelly of North Pembroke Associates. How much? I need a precise breakdown of all who contributed to the investment, their name, address and telephone number.
- The bank records which I have do not reflect that a deposit of \$4,200,000.00 was ever made to any of the accounts which are a part of the receivership. I need copies

of all wire transfer advice(s) which reflect movement of the funds from your account to any account controlled by Gilliland.

CLAIM #4

- The document which you attached to the claim form is not legible. I need a legible copy.
- The bank records which I have do not reflect a deposit of \$2,000,000.00 consistent with your claim. I need a copy of the wire transfer advice(s) showing a movement of the funds from your account to an account controlled by Gilliland.

CLAIM #5

- No contract or agreement is attached to the claim form. I need a copy of your agreement for this investment.
- The claim form indicates you sent funds to Bank of Butterfield, Excelsior Bank Group and Bermuda Commercial Bank Ltd. I need copies of all wire transfer advices showing how much was sent to each and when. I also need copies of any documents you have which relate to Excelsior Bank Group and Bermuda Commercial Bank Ltd.
- The claim form indicates you received a return of \$350,000.00. I need a copy of the wire transfer advice(s) which reflect the return of funds to you.
- The letter attached to the claim form signed by Corey Salankey and Ross Richardson indicate they are "Oval Agents." What are Oval Agents and how many others are there? Use of the term agents indicates to me that they acted as brokers in getting other people to invest their money. How much of this claim represents money put in by other people?

CLAIM #6

- No contract or agreement is attached to the claim form. Instead this claim appears to relate to and/or incorporate one or more of the claims above. If this is a separate claim I need a copy of your contract.
- I need copies of all wire transfer advice(s) which reflect movement of the funds from your account to accounts controlled by Gilliland.

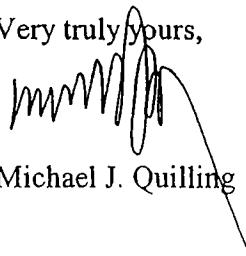
December 3, 2002

Page 4

In order to further evaluate your claims, I need all the documentation and information requested above. Please forward it as soon as possible.

In an effort to be as straightforward as possible with you, you need to understand that I have serious concerns about whether the funds which you claim were invested belonged entirely to you. I believe that a very substantial portion of the funds belong to others and were aggregated by you and the "Oval Agents." If so, I need the name, address and telephone number of every person who invested. If you have any questions please contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael J. Quilling". The signature is stylized with a large, looping initial "M" and a long, sweeping tail that extends downwards and to the right.

Michael J. Quilling

MJQ/lms

cc: D. Dee Raibourn (of the Firm)  
Laura Scurlock (of the Firm)  
Stephen Tomasky (of the Firm)



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TEXAS BOARD OF LEGAL SPECIALIZATION

TELEPHONE: (214) 871-2100  
TELEFAX: (214) 871-2111

February 24, 2003

Mr. John Valentine  
Oval Financial & Investment  
627 H Street, A-343  
Chula Vista, CA 91910

Re: *In re: All Funds on Deposit in Account Number 000669829075 in the name of MM  
ACMC Banque de Commerce, Inc., at NationsBank, N.A., Consisting of  
\$18,756,420.97, More or Less; C.A. No. 3:98mc96-MCK*

*George and Dolores Rollar, Plaintiff, v. United States of America, et al., Defendants,  
v. Richard Vasquez, Intervener, C.A. No. 3:01cv205-MCK*

Dear John:

Thank you for your most recent set of documents regarding your various claims. I have reviewed these materials and have a number of comments.

- You have provided me evidence of a \$100,000.00 wire transfer by Oval Pacific Telesys Corp. on July 31, 1998 into the Bank of Butterfield account in the name of Sterling Management Services, Inc. The wire was sent from your account no. 1033278, but I cannot tell the bank from which the wire was initiated. Is it Mellon Bank, and if so, from which branch was it sent? Once I receive this information I will, subject to the offset discussed below, be in a better position to consider allowing that claim.
- You have provided me evidence of a wire transfer on May 7, 1998 in the amount of \$800,000.00 from Oval Pacific Telesys Corp. to an account at Belize Bank, Ltd. in the name of First Global International, Inc. These funds did not go to an account which is involved in my receivership and, therefore, this claim will be disallowed unless you can show me a transfer from the Belize Bank, Ltd. by First Global International, Inc. into an account which is the subject of the receivership.
- You have provided me evidence of a wire transfer on July 16, 1998 in the amount of \$900,000.00 from Oval Pacific Telesys Corp. to the Sterling Management Services account at the Bank of Butterfield. However, the bank records that I currently have

available to me from the Bank of Butterfield do not show a receipt of these funds. I am missing a couple of pages and perhaps the transfer will be revealed once I obtain the additional bank records. Until I obtain those records this claim will have to remain pending except as discussed further below.

- You have provided me evidence of a wire transfer on April 29, 1998 in the amount of \$800,000.00 by Oval Pacific Telesys Corp. to an account in the name of Sterling Management Services, Inc. at Barclays Bank, Turks and Caicos. This account is not part of the receivership proceedings as of this time and, therefore, cannot be allowed at this time. I anticipate being appointed as receiver for Sterling Management Services, Inc. in the near future and at that time I will be able to reconsider this claim as a claim against Sterling Management Services, Inc.
- You have provided me evidence of a wire transfer on July 24, 1998 in the amount of \$99,925.00 from your account at the Excelsior Bank & Trust to Sterling Management Services, Inc.'s account at Bank of Butterfield. Subject to the offsets discussed below, I will be in a position to allow this claim.
- You have provided me with evidence of a wire transfer on August 24, 1998 in the amount of \$599,925.00 from your account at Excelsior Bank & Trust to Sterling Asset Services, Ltd.'s account at the Allied Bank Dunbar. Subject to the offsets discussed below, I will be in a position to allow this claim. The reconciliation which you sent to me along with the other materials regarding your Excelsior Bank & Trust account is "blacked out" in a number of places. I need you to send me an un-redacted version of the reconciliation.
- The records currently available to me reflect that on August 6, 1998, Sterling Management Services, Inc. sent a wire transfer to your account at Excelsior Bank & Trust in the amount of \$1,256,000.00 from its account at Bank of Butterfield. Accordingly, if I allow each of the wire transfers discussed above (excluding the \$800,000.00 Belize Bank, Ltd. transaction and the \$800,000.00 Barclays Bank transaction which are not part of this receivership) as valid claims, your total claim would be \$1,699,850.00. Against that there is an offset of \$1,256,000.00 giving you a net claim of \$443,850.00.
- The bank records available to me indicate that on August 3, 1998 a wire transfer was made to the Bank of Butterfield in the amount of \$80,000.00 by something the Bank identified as Oval Insurance Services. Does this have anything to do with you. If so, please send me the evidence of the wire transfer.

February 24, 2003

Page 3

- The bank records available to me indicate that on August 3, 1998 a wire transfer was made to the Bank of Butterfield in the amount of \$200,000.00 by Oval Pacific. Does this have anything to do with you. If so, please send me evidence of the wire transfer.

One of the documents you sent to me (a copy of which is attached hereto as Exhibit A) reflects that during the application process with regard to one of these fraudulent programs that you were a pastor with an annual salary of \$50,000.00 and a net worth of \$3 million. I am troubled by how someone with that type of income can be making these types of transfers and claiming it to be their own money. My belief is still that some of this money, if not a substantial portion of it, belongs to other people and I renew my request to you to provide that information to me. One of the ways that I can be convinced otherwise is for you to provide to me copies of your bank records with respect to your account at Mellon Bank from which these transfers were initiated. I ask that you do so as soon as possible. Of course, my alternative is simply to subpoena those bank records myself.

Please contact me as soon as your schedule permits to discuss this matter further.

Very truly yours,



Michael J. Quilling

MJQ/lms

cc: Bill Brafford, U.S. Attorney's Office  
Rodney Alexander  
Jennifer Leong  
Milo Segner  
Dee Raibourn (of the Firm)  
Laura Scurlock (of the Firm)  
Steve Tomasky (of the Firm)



CAESAR FUNDING GROUP

Ross P. Richardson

Corey D. Salankey  
930 Via Mil Cumbres  
Suite 36  
Solana Beach, California

La Jolla, California

APPLICATION  
CAESAR FUNDING GROUP TRUST  
GLOBAL RICHES, ECONOMICS AND TREASURES (GREAT)

CONFIDENTIAL INVESTOR INFORMATION

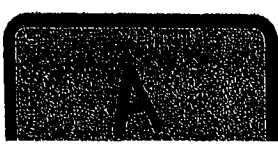
Full Name: Obair John Valentine  
Account Name: D. John VALENTINE  
Physical Mailing Address: POB 80517, San Diego, CA 92138-0517  
Residence Address: \_\_\_\_\_  
Occupation: Pastor + Entrepreneur  
Employer: Self  
Employer's Address: \_\_\_\_\_  
Phones: Home 619-470-8289 Work \_\_\_\_\_ Fax 619-479-1973  
U.S. Resident  Overseas Resident \_\_\_\_\_ DOB 06/16/61 Marital Status Single

OPENING ACCOUNT INFORMATION

- 1. Have you ever traded currencies, securities, commodities, futures, options? Yes
- 2. Annual Income \$50,000 Net Worth \$3,000,000 Initial Deposit \$100,000.00
- 3. Primary Beneficiary ISRAH VALENTINE and/or TRUST
- 4. Secondary Beneficiary Charity T. VALENTINE
- 5. You appoint CFG and Great as fiduciary agent who is your attorney-in-fact to manage your account and transact with traders, brokerage houses and banks.
- 6. You agree to hold CFG and GREAT harmless for market fluctuations or trading limitations but for full accountability of funds entrusted in their care.
- 7. You agree to allow CFG and GREAT ninety (90) days (from wire confirmation) to enter a contract and sixty (60) days (from receipt of request) to liquidate a contract.

Please sign and return to: Caesar Funding Group

[Signature] La Jolla, California 92037  
Applicant Number 1 Sept. 30, 1998 Date Applicant Number 2 \_\_\_\_\_



# **Exhibit “B”**

**SARRISON GROUP HOLDING INC.**

C/o Sulte 762, 48 Par La Ville Rd., Hamilton, Bermuda Tel: (441) 295 3579 Fax: (441) 295 3582

**F A C S I M I L E T R A N S M I S S I O N**

To: **Richard Phillips, Audley Higgs**

From: **Shane Kelly**

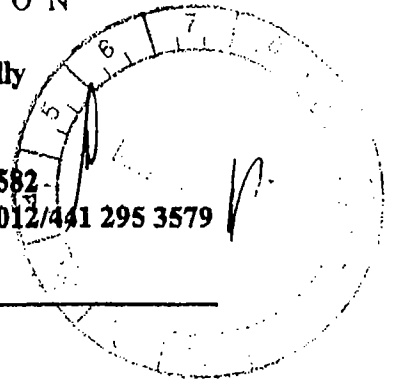
Date: **4/5/1998**

Page 1 of: **1**

Fax No: **649 946 4573**

Our Fax: **441 295 3582**

Tel: **441 235 0012/441 295 3579**



Dear Mr. Phillips,

**RE: WIRE TRANSFER OF USD800,000.00 FROM MELLON BANK B/O OVAL PACIFIC TELESYS CORPORATION**

We write to you in our role as joint venture participant with an equitable interest in the above funds as well as being temporary agent for Oval Pacific & Telesys Corporation (OPT Corp) (a Delaware Corporation).

We have learned that your offices have experienced difficulties with Sterling Management Services Inc. (Sterling) and as a result are not crediting funds to their account.

We had intended to wire the above funds to the account of Sterling, but now, learning of this scenario, would like to verify that funds in the amount of USD800,000.00 which were wired to Barclays, Turks & Caicos, B.W.I. from Mellon Bank, Brandywine, Wilmington, Delaware for value 29 April 1998, were returned to the remitting Bank as is standard practice in a case such as this. Please ensure that funds were returned correctly to Mellon Bank.

As of today the Senior Vice President - Legal Dept. of Mellon in conjunction with their International Money Transfer Dept. have initiated a formal investigation and request for recall of the aforesaid funds.

We will be in direct contact with you by telephone in order to confirm the above.

With kind regards,

This message is intended only for the use of the individual or entity to which it is addressed, and may contain information privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you receive this communication in error, please notify the Agent for Sarrison immediately by telephone, (441 235 0012) and destroy the original. Thank you.

**North Pembroke Associates**

Suite 762, 48 Par La Ville Rd.  
Hamilton, Bermuda

January 21, 1998

Mr. James R. Walker  
Federal Bureau of Investigation  
c/o Supervisory Special Agent James T. Walsh  
400 S. Tryon Street  
Charlotte, N.C. 28285

Dear Sirs,

**Re: Frederick Gilliland, Sterling Management Services and Sterling Asset Services Ltd.**

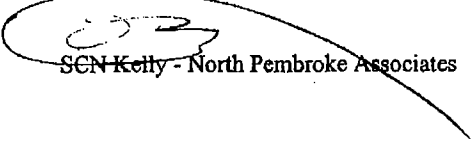
I write to you in our capacity as Bermuda Agent for Oval Financial & Investment Group Ltd.

We have learned that certain funds in the name of Sterling Asset Service Ltd and nominee, M.M. Aug.C. Mohr & Cie and MMACMC Banque de Commerce, are held at Nations Bank under your supervision and control. Please be advised that we are indeed the victims of Mr. Gilliland's and the above captioned companies' activities and that the funds held in Nations Bank belong to Oval Financial & Investment Group Ltd. and those that it represents.

We have already taken legal action concerning this matter to recover our funds. Two Supreme Court Injunctions have been ordered both in Bermuda and in the Turks & Caicos Islands. The effect of these Orders prohibits disposal of the assets of the named parties which include the above captioned companies. We have attached copies of these Orders for your perusal.

I trust the attached information is of assistance and that you will act accordingly.

Yours faithfully,

  
SCN Kelly - North Pembroke Associates