

***Robb Evans***  
*Trustee for Certain Assets of The United States of America*  
**P.O. Box 880**  
**Sun Valley, California 91353-0880**  
**[www.robbevans.com](http://www.robbevans.com)**

**NOTICE TO ALL INVESTORS, BROKERS/AGENTS AND CREDITORS**

I invite your reference to our 'Important Announcement to the Investors and Creditors' mailed to you on March 23, 2001. You may wish to download a copy from our web site [www.robbevans.com](http://www.robbevans.com). The web site also has a copy of the Report filed with the United States District Court with a preliminary indication of the magnitude of the amounts collected by the Brokers and Agents who received substantial returns in the form of 'commissions'. On or about June 18, 2001, we mailed about 1,600 Restitution Petitions and Questionnaires to every known investor in our database. We also advised all brokers and agents (about 80 individuals or entities), who acted as intermediaries in the IFR scheme that I intend to recommend restitution to the actual investors, and therefore, the brokers and agents should:

1. Forward a complete list of the investors with full contact and investment details.
2. Mail copies of the petitions and questionnaires to the investors, and notify me that they had done so.

A very small number of those brokers or agents responded, advising the names and addresses of the investors who handed the funds to them for investment in the IFR scheme. We included those names in our database and forwarded the petitions and questionnaires to them. More than six hundred investors returned the petitions and questionnaires on or before the September 30, 2001 deadline. Many of these petitions and questionnaires were unsigned or incomplete and lack the required investment and personal information. Scores of investors sent claim letters without petitions or questionnaires even though they were asked to fill them out and return them. All such claimants are being contacted to obtain the missing information. I now offer a final opportunity (to only such claimants) to resubmit corrected petitions and questionnaires no later than November 30, 2001.

The investment information provided is being reviewed and reconciled with bank statements and other databases generated internally and obtained from various law enforcement agencies. Banks have been approached for additional information on the funds received, invested and diverted. We expect to complete the forensic investigation and to advise the eligible petitioners about the status of their petition by February 28, 2002. It is noted that most of the brokers and agents who received substantial commission payments have not responded to the notices sent on June 18, 2001. Some brokers and agents appear to have invested funds in their own names despite the fact that the funds were provided to them by individual investors.

While we are liquidating the forfeited assets, we are concurrently attempting to trace diversions of the investor funds, to increase the size of the restitution pool of funds. These activities are designed to recover the maximum amount of investor funds but are likely to be time consuming. These factors are taken into account while formulating a tentative schedule of the restitution process, which is described later in this communication.

As advised earlier, a Petition for Remission is not available to challenge the validity of the forfeiture itself; rather, it is an opportunity for the innocent victims of the defendants' investment fraud scheme and other creditors to seek some relief through the Attorney General's discretionary authority to use federally forfeited property to compensate victims of the underlying criminal activity and other creditors. Pursuant to 28 CFR § 9.9 (c) (1997), in my capacity as Restitution Trustee, I will, after processing and making an evaluation of the validity of the petitions, make a recommendation to the Department of Justice about the distribution of assets to petitioners. The formula, amount and the timing of the distribution are at the discretion of the Attorney General.

Following is an approximate timetable indicating important dates in the restitution process:

- November 30, 2001 is the deadline for petitioners to resubmit incomplete petitions and questionnaires.
- A forensic reconciliation of all the petitions with the available investment and bank records is expected to be completed by February 28, 2002. Petitioners will be sent confirmation as to whether their petitions have been accepted for recommendation to the Attorney General and the eligible amounts of their claims. There will be 30 days allowed from the date of mailing the acceptance or denial of the petitions, for the petitioners to submit appeals.
- I plan to finalize my recommendation to the Attorney General by April 30, 2002.
- I plan to complete most of the liquidation of the forfeited assets by June 30, 2002.
- Subject to receiving approval from the Attorney General, the eligible petitioners will be advised of the amount of restitution payments that are likely to be disbursed.
- From the current estimates of the tasks involved, I anticipate distribution of the restitution payments, to eligible petitioners and creditors, in the third quarter of 2002.

I will be filing a report with the District Court soon, summarizing recovery efforts and the status of liquidation of the forfeited assets. Upon Court approval, the report will be posted in our web site.

Robb Evans, Trustee  
October 24, 2001

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*In the Matter of United States of America v. Larry Wilcoxson, Roxanne Albaugh, David Baxter et al*  
*U.S. District Court for the Eastern District of California*  
*Case No. CR-S 99-0359 DFL*

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