

The Victims & How Each Was Injured

170. CHRISTA RITTER alleges that the following constitute the known victims of the HATE RICO Enterprise scheme described herein as of the date hereof.

- a. The Manhattan Mortgage Company, Inc., at all material times herein indicated, was and is a duly licensed mortgage broker, having its principal place of business at 555 Madison Ave., New York, New York 10022.
- b. GreenPoint Mortgage Funding, Inc., at all material times herein indicated, was and is a national mortgage banking company headquartered in Novato, California.
- c. The Manhattan Mortgage Company, Inc., and GreenPoint Mortgage Funding, Inc., were each injured, *inter alia*, as detailed herein, by processing and providing mortgage financing based upon fraudulent financial documents, fraudulent facts and false representations, submitted to them as a result of which the sum of \$1,000,000.00 in a mortgage loan was extended to Defendant, COLETTE PANEBIANCO.
- d. The Internal Revenue Service, at all material times herein indicated, was and is a bureau of the Department of the Treasury of the government of the United States of America, and was and is charged by the United States Congress, pursuant to section 7801 of the Internal Revenue Code of 1986, to enforce the internal revenue laws of the United States of America. The Internal Revenue Service, was and is a victim of the HATE RICO Enterprise scheme, as herein identified and described.
- e. The Department of Taxation and Finance, at all material times herein indicated,

was and is an official agency of the State of New York, and was and is charged, pursuant to §170 of the Tax Law of the State of New York, *inter alia*, with the enforcement and collection of taxes from individual taxpayers and entities, in the State of New York.

- f. The Internal Revenue Service and Department of Taxation and Finance, were each injured, *inter alia*, as detailed herein by the Company Defendants and Individual Defendants' evasion of appropriate tax earned upon lawful transactions of the Company Defendants' sales, and by the transfer and laundering of the insurance proceeds received from Zurich American Insurance Company, and failure to pay applicable taxes upon the insurance proceeds received from Zurich American Insurance Company, as well as by the evasion of appropriate tax due upon the earnings of Defendant, WILLIAM KLISIVITCH.
- g. Zurich American Insurance Company (also known as Zurich in North America), having an office at One Liberty Plaza, 165 Broadway, New York, New York 10006, at all material times herein indicated, was and is an insurance company duly licensed in the State of New York to provide, *inter alia*, casualty insurance.
- h. Zurich American Insurance Company was injured by the Defendant, WILLIAM KLISIVITCH, ITUM, LTD., and Company Defendants, *inter alia*, by the submission of false and fraudulent documents pertaining to inflating the value of equipment purportedly lost in a fire which occurred in March or April of 2002 at the business premises of ITUM, LTD., located at 8741 130th Street, Richmond Hill, Queens County, New York 11418.
- i. CHRISTA RITTER was and is the primary intended victim of the HATE RICO

Enterprise scheme, herein identified and described and was directly harmed and injured by virtue of the fact that said HATE RICO Enterprise scheme had as one of its purposes the economic injury to other persons and entities, as well as the hiding of assets, the transferring of assets and otherwise the evading of payment monies and transfer of property to which CHRISTA RITTER was entitled by virtue of her contractual property rights and by virtue of the lawful orders of the New York State Supreme Court, and aforesaid stipulations and agreements made in the New York State Supreme Court.

- j. CHRISTA RITTER was injured by the Individual Defendants and Company Defendants in that, *inter alia*, she was deprived of the economic benefits of the lawful orders granted to her by the New York State Supreme Court, deprived and hindered in her collection of the Clerk's Judgments granted to her, was deprived of the economic benefits of the Stipulations and Agreements made in said divorce action, including the QDRO granted to her, pursuant to the lawful orders of the New York State Supreme Court, and forced to expend monies and incur debt, by engaging legal counsel in New York State and Canada to enforce her rights to payment and receipt of property, as a result of the racketeering activities of the defendants, as detailed herein.

Rule 11(b)(3) Reservation Request

171. CHRISTA RITTER in good faith within Rule 11(b)(3) of the Federal Rules of Civil Procedure that permits pleading based on reasonably anticipated facts after further investigation or discovery, states that the Company Defendants and Individual Defendants named herein have been involved in additional, presently unidentifiable

RICO activities against her and other victim(s).

172. When such an additional RICO activities, victim(s) and enterprise(s) are ascertained, CHRISTA RITTER will seek leave of this Court to further amend this complaint.

Acquisition of Real Property located at 23 Lloyd Point Drive, Lloyd Harbor, New York-  
Predicate Act(s) Financial Institution Fraud

173. On or about the 20<sup>th</sup> day of February, 2004, COLETTE PANEBIANCO was residing with WILLIAM KLISIVITCH at 8 Dolphins Rise, Town of Huntington, County of Suffolk, State of New York.
174. COLETTE PANEBIANCO had been residing with WILLIAM KLISIVITCH since 1999 in the Town of Huntington, County of Suffolk, State of New York.
175. On or about the 3<sup>rd</sup> day of February 2006, COLETTE PANEBIANCO, married WILLIAM KLISIVITCH in the State of New York.
176. That heretofore and at all material times herein set forth, FRANCES TROTTO maintained a bank account with COLETTE PANEBIANCO at the HSBC Bank, located at the Port Jefferson Station Office, 574 Port Jefferson Shopping Plaza, Port Jefferson, New York, 11776, under "Premium Money Market Account Number [ ] 134-0."
177. That on the 5<sup>th</sup> day of February, 2004, COLETTE PANEBIANCO wrote a check in the sum of \$1,000.00 (check # 274) drawn upon account number [ ] 71-01 held in the name of COLETTE PANEBIANCO, at JPMorgan Chase Bank, payable to Lislie Schivamber [sic], as and for a binder for the purchase of the real property located at 23 Lloyd Point Drive, Lloyd Harbor, New York 11743 ("Lloyd Harbor real property").
178. That after the 5<sup>th</sup> day of February, 2004, COLETTE PANEBIANCO entered into an

undated contract to purchase the Lloyd Harbor real property for the sum of \$1,350,000.00.

179. On or about the 20<sup>th</sup> day of February, 2004, WILLIAM KLISIVITCH caused to be transferred the sum of \$124,980.00 in United States Dollars by a “Telegraphic Transfer” from the HSBC Bank Canada, 2001 McGill College Office drawn upon account number [REDACTED]3-070 which account was in the name of INTERNATIONAL TEXTILE MACHINES CANADA LTD., (the remitter was noted as being ITM World Group) to account number [REDACTED]71-01 held in the name of COLETTE PANEBIANCO, at JPMorgan Chase Bank, upon information and belief, by using the Clearing House Interbank Payments System (“CHIPS Wire”) and Federal Reserve Wire Network (“Fed Wire”); .
180. On or about February 23, 2004, COLETTE PANEBIANCO, received in her JPMorgan Chase Bank Account Number [REDACTED]7165, through the CHIPS Wire and/or Fed Wire, the aforesaid sum of \$124,980.00, which WILLIAM KLISIVITCH caused to be transferred to her through the use of CHIPS wWire.
181. That on March 5, 2004, COLETTE PANEBIANCO signed a document entitled “Pre-Application Disclosure and Fee Agreement” prepared by The Manhattan Mortgage Company.
182. That on or about the time of signing said undated contract to purchase the Lloyd Harbor real property, COLETTE PANEBIANCO signed a written instrument (undated) applying for a mortgage through The Manhattan Mortgage Company, Inc., in the sum of \$1,000,000.00 to finance the purchase of said Lloyd Harbor real property.

183. COLETTE PANEBIANCO, after signing said undated contract to purchase the Lloyd Harbor real property, through and inclusive to the date of closing of title to said Lloyd Harbor real property, which took place on April 9, 2004, signed various documents which, upon information and belief, were provided to her by using the United States Postal Service, by The Manhattan Mortgage Company, Inc. and GreenPoint Mortgage Funding, Inc.

Funds used for Down Payment and to Close Title

184. On March 4, 2004, COLETTE PANEBIANCO, wrote a check in the sum of \$134,000.00 (check # 289) drawn upon account number 7165 held in the name of COLETTE PANEBIANCO, at JPMorgan Chase Bank, payable to Hecker, Colasurdo & Segal, P.C., as and for the required balance of the down payment for the purchase of the Lloyd Harbor real property.

185. On or about March 5, 2004, WILLIAM KLISIVITCH caused to be transferred to said account at the HSBC Bank, under account number 134-0, in the name of FRANCES TROTTO and COLETTE PANEBIANCO, by using the CHIPS Wire and/or Fed Wire, the sum of \$100,000.00 through the JPMORGAN CHASE BANK, located at Four New York Plazas, New York, NY 10004. Prior to said transfer of funds, the balance in said HSBC Bank Account was the sum of \$800.14 on March 4, 2004.

186. On or about March 8, 2004, COLETTE PANEBIANCO, caused to be transferred the sum of \$135,000.00 from funds she received from WILLIAM KLISIVITCH, as and for the required down payment pursuant to the contract to acquire title to said Lloyd Harbor real property from her "Select High Yield Savings" Account held at JPMORGAN CHASE

BANK, 350 Main Street, Huntington, New York 11743, under account number [ ]7165, to her "Select Checking W/Interest" Account at said JPMORGAN CHASE BANK.

187. On or about March 11, 2004, WILLIAM KLISIVITCH caused to be transferred to said account at the HSBC Bank, under account number [ ]134-0, in the name of FRANCES TROTTO and COLETTE PANEBIANCO, by using the CHIPS Wire and/or Fed Wire, \$99,980.00 through the Bank Of Nova Scotia, located at One Liberty Plaza, 165 Broadway, New York, NY 10006.
188. On or about March 25, 2004, WILLIAM KLISIVITCH caused to be transferred to said account at the HSBC Bank, under account number [ ]134-0, in the name of FRANCES TROTTO and COLETTE PANEBIANCO, the sum of \$25,980.00 through a transaction identified as "41 BOOK CREDIT FRANCE" as stated upon a "Transaction List-Display" for said account at the HSBC Bank, for the period February 27, 2004, ending March 29, 2004.
189. Upon information and belief, the said sums of \$100,000.00, \$99,980.00 and \$25,980.00 (which totals \$225,960.00) were in fact funds of WILLIAM KLISIVITCH, as to which he exercised dominion and control.
190. Upon information and belief, the said sums of \$100,000.00, \$99,980.00 and \$25,980.00 (which totals \$225,960.00) were drawn upon the account of INTERNATIONAL TEXTILE MACHINES CANADA LTD., at the direction of WILLIAM KLISIVITCH.
191. That on March 25, 2004, Defendant, COLETTE PANEBIANCO and Defendant, FRANCES TROTTO caused to be transferred from the HSBC Bank, located at the Port

Jefferson Station Office, 574 Port Jefferson Shopping Plaza, Port Jefferson, New York, 11776, from a "Premium Money Market Account Number [ ]134-0," the sum of \$226,000.00, by using the CHIPS Wire and/or Fed Wire, which account number was titled in the name of FRANCES TROTTO and COLETTE PANEBIANCO, (leaving a balance in said account of \$443.80 after said transfer). Said funds were wired to the attorney escrow account of Steven N. Nachman, Esq., (which account was maintained at The Chase Manhattan Bank, 633 Third Avenue, New York, New York 10017) the attorney who handled said Lloyd Harbor real property acquired in the name of Defendant, COLETTE PANEBIANCO.

192. That each of the transfers of said funds were made to said account at the HSBC Bank, in the name of FRANCES TROTTO and COLETTE PANEBIANCO, by using the CHIPS wWire and/or Fed Wire, or other device.
193. FRANCES TROTTO and COLETTE PANEBIANCO, received said funds of \$100,000.00, \$99,980.00 and \$25,980.00 (which totals \$225,960.00) without fair and adequate consideration.
194. Upon information and belief, the said sum of \$124,980.00 was in fact the funds of WILLIAM KLISIVITCH.
195. Upon information and belief, COLETTE PANEBIANCO received the said sum of \$124,980.00, *inter alia*, in furtherance of and as part of the HATE RICO Enterprise scheme described herein.
196. That said \$226,000.00 was transferred by Fed Wire from the said account in the name of FRANCES TROTTO and COLETTE PANEBIANCO at the HSBC Bank in furtherance of the HATE RICO Enterprise scheme common scheme and plan participated in by said

defendants.

197. Upon information and belief, FRANCES TROTTO, *inter alia*, benefitted, conspired with and aided and abetted WILLIAM KLISIVITCH and COLETTE PANEBIANCO, and ZVI GRINBAUM, in connection with diverting assets of WILLIAM KLISIVITCH, from execution to satisfy the aforesaid money judgments against WILLIAM KLISIVITCH, and otherwise participated in the diversion of assets belonging to WILLIAM KLISIVITCH, to which CHRISTA RITTER, was entitled as a judgment creditor of WILLIAM KLISIVITCH, which was in furtherance of the HATE RICO Enterprise scheme, as detailed herein.
198. COLETTE PANEBIANCO, after signing said undated contract to purchase the Lloyd Harbor real property, through and inclusive to the date of closing of title to said Lloyd Harbor real property, which took place on April 9, 2004, caused to be furnished to The Manhattan Mortgage Company, Inc. and GreenPoint Mortgage Funding, Inc., various documents required by The Manhattan Mortgage Company, Inc. and/or GreenPoint Mortgage Funding, Inc., pertaining to closing of title to said Lloyd Harbor real property, upon information and belief, by using the United States Postal Service, and interstate wire services.
199. On March 11, 2004, GreenPoint Mortgage Funding, Inc., located at 100 First Stamford Place 3<sup>rd</sup> Floor, Stamford, CT 06902, caused to be sent by wire transmission from telephone number 203 965-1923 to The Manhattan Mortgage Company, telephone number 212 745-9082, a document entitled "NEW YORK MORTGAGE LOAN COMMITMENT," under Loan # 8293, stating, *inter alia*, that COLETTE PANEBIANCO's mortgage loan application for \$1,000,000.00, for a term of 360 months,

was approved, subject to various terms and conditions.

200. On March 12, 2004, The Manhattan Mortgage Company caused to be sent by wire transmission from telephone number 212 745-9082, said document entitled "NEW YORK MORTGAGE LOAN COMMITMENT" to COLETTE PANEBIANCO.
201. One of the aforesaid conditions was set forth at item 17, entitled "OTHER CONDITIONS:" required COLETTE PANEBIANCO to provide to The Manhattan Mortgage Company prior to the release of closing documents the following:
  - 201: Gift letter in the amount of \$250,000 signed and dated by borrower(s) and donor. Please provide proof of the gift funds deposited into one of the Borrower's bank accounts.
202. On March 16, 2004, COLETTE PANEBIANCO signed said document entitled "NEW YORK MORTGAGE LOAN COMMITMENT" and caused same to be transmitted to The Manhattan Mortgage Company, Inc., upon information and belief, by using the United States Postal Service or wire.
203. On March 22, 2004, COLETTE PANEBIANCO caused to be transmitted by wire, from MSafra (21237556726 at 4:19PM) a document entitled "GIFT LETTER," signed by ZVI GRINBAUM certifying that he gifted the total sum of \$350,000.00 to WILLIAM KLISIVITCH, by previously giving him \$324,960.00 and certifying that he will give him \$25,040.00 prior to the closing date, "...to be used for the purchase of the property located at 23 Lloyd Point Drive, Huntington, New York 11743."
204. Said undated Gift Letter signed by ZVI GRINBAUM certified that he made "...a bonafide gift and there is no obligation, express or implied, to repay this sum at any time."

205. On April 9, 2004, COLETTE PANEBIANCO, *inter alia*, represented to The Manhattan Mortgage Company, Inc., by duly signing a mortgage application on said date, that her monthly “Base Employment Income” was \$22,916.00.
206. That said mortgage application and signed commitment by COLETTE PANEBIANCO were submitted in furtherance of the HATE RICO Enterprise scheme to secure a mortgage of \$1,000,000.00 from GreenPoint Funding Inc.
207. That said mortgage application and signed commitment were submitted in furtherance of the HATE RICO Enterprise scheme to evade reporting and payment of taxes, in violation of Title 26, Internal Revenue Code §§ 7201, 7202, 7206 upon the sum of \$350,000.00.
208. The aforesaid written representation by COLETTE PANEBIANCO to the The Manhattan Mortgage Company, Inc. that her monthly “Base Employment Income” was \$22,916.00 was known to her to be false and fraudulent when made and was, *inter alia*, in violation of 18 U.S.C. § 1344 (relating to financial institution fraud), and in furtherance of and as part of the HATE RICO Enterprise scheme.
209. The source of the aforesaid funds purportedly received by COLETTE PANEBIANCO were not a gift as averred by COLETTE PANEBIANCO and ZVI GRINBAUM, but in fact the funds of WILLIAM KLISIVITCH, and were transferred in actual fraud of CHRISTA RITTER’s rights and without fair or adequate consideration, and as part of the HATE RICO Enterprise scheme, a common scheme by the named Defendants to defraud CHRISTA RITTER, and in furtherance of the racketeering acts committed against the The Manhattan Mortgage Company, Inc. and GreenPoint Mortgage Funding, Inc. by the above named Individual Defendants and Company Defendants, as herein detailed.
210. Upon information and belief, COLETTE PANEBIANCO had no independent resources

to acquire said Lloyd Harbor real property and conspired with WILLIAM KLISIVITCH, ZVI GRINBAUM, FRANCES TROTTO, INTERNATIONAL TEXTILE MACHINES CANADA LTD., WVDAC HOLDINGS INC., 127630 CANADA, INC., 142456 CANADA, INC., and ITM WORLD GROUP, LLC., to utilize funds obtained from lawful and legitimate sales and services derived from the lawful activities of the Company Defendants which were made unlawful by said Defendants *inter alia*, by virtue of the failure to report said funds as taxable, which funds were utilized to acquire title to said Lloyd Harbor real property.

211. That the aforesaid acts of Individual Defendants, COLETTE PANEBIANCO, WILLIAM KLISIVITCH, ZVI GRINBAUM, and FRANCES TROTTO and Company Defendant INTERNATIONAL TEXTILE MACHINES CANADA LTD., with reference to said Lloyd Harbor real property constitute a fraud perpetrated upon The Manhattan Mortgage Company, Inc. and GreenPoint Mortgage Funding, Inc., and were in violation of 18 U.S.C. section 1341 (relating to mail fraud); section 1343 (relating to wire fraud); section 1344 (relating to financial institution fraud); section 1956 (relating to the laundering of monetary instruments) and were and are a part of the HATE RICO Enterprise scheme.
212. That COLETTE PANEBIANCO received said sums of \$124,980.00 as the agent of WILLIAM KLISIVITCH, with knowledge that CHRISTA RITTER at that time was a judgment creditor of WILLIAM KLISIVITCH.
213. That COLETTE PANEBIANCO received said sums of \$124,980.00, *inter alia*:
  - a. without fair or adequate consideration; and
  - b. to deprive CHRISTA RITTER of her property rights to receive monies from WILLIAM KLISIVITCH as a judgment creditor of WILLIAM KLISIVITCH;

and

- c. to launder money and to evade and continue to evade federal and New York State income taxes required to be filed and paid by WILLIAM KLISIVITCH and Company Defendants, who were and are subject to the tax laws of the United States of America, in violation of Title 26, Internal Revenue Code §§ 7201, 7202, 7206 pertaining to the evasion of taxes required to be paid and filing false tax returns.

214. That ZVI GRINBAUM, by signing and causing said undated Gift Letter to be transmitted to The Manhattan Mortgage Company, Inc., and GreenPoint Mortgage Funding, Inc., by mail and wire committed a predicate act, as defined by 28 U.S.C. 1961(1) (B) specifically in violation of 18 U.S.C. section 1341 (relating to mail fraud), section 1343 (relating to wire fraud), section 1344 (relating to financial institution fraud), and section 1956 (relating to the laundering of monetary instruments).
215. That ZVI GRINBAUM, by signing said undated Gift Letter evidenced his participation in the operation of the HATE RICO Enterprise scheme.

Benefits to Individual Defendants

216. That each named Individual Defendant benefitted by participating in the HATE RICO Enterprise.
217. That each named Individual Defendant benefitted by participating in the HATE RICO Enterprise scheme as follows:

a. COLETTE PANEBIANCO:

- i. acquired said Lloyd Harbor real property valued in excess of \$1,350,000.00 without consideration paid by her;
- ii. obtained goods and services without consideration;
- iii. obtained \$35,000.00 on July 28, 2003 by wire transfer from ITM World Group, LLC., deposited to account number 71-01 held in her name at JPMorgan Chase Bank;
- iv. obtained \$30,000.00 on October 28, 2003 by wire transfer from ITM World Group, LLC., deposited to account number 71-01 held in her name at JPMorgan Chase Bank;
- v. obtained \$124,980.00 on February 23, 2004 by wire transfer from International Textile Machine, deposited to account number 71-01 held in her name at JP Morgan Chase Bank;
- vi. obtained \$100,000.00 on March 5, 2004 by Wire transfer from International Textile Machine Ltd, deposited to account number 34-0 held in the name of Colette Panebianco and Trotto.

b. ZVI GRINBAUM:

- i. upon information and belief, obtained monies as dividends funneled through the Company Defendants and through his ownership and

operation of Company Defendant ITM WORLD GROUP, LLC., and operation and ownership of INTERNATIONAL TEXTILE MACHINES CANADA LTD., and WVDAC HOLDINGS, INC., and 127630 CANADA, INC.;

ii. obtained goods and services without consideration.

c. FRANCES TROTTO:

i. assisted her daughter, Colette Panebianco, to acquire said Lloyd Harbor real property valued in excess of \$1,350,000.00 for no consideration;

ii. obtained goods and services without consideration, including without limitation business class round trip airline tickets (Ticket # 05511475130895) on Alitalia Airlines from Newark, New Jersey to Rome, Italy departing on July 19, 2005;

iii. received the sum of \$15,000.00 by check # 235, dated November 22, 2003, drawn on account number [REDACTED] 71-01 in the name of COLETTE PANEBIANCO, at JPMorgan Chase Bank, without consideration.

iv. obtained \$100,000.00 on March 5, 2004 by wire transfer from International Textile Machine Ltd, deposited to account number [REDACTED] 34-0 held in the name of Colette Panebianco and

d. FRANCES TROTTO at HSBC Bank;

i. obtained \$99,980.00 on March 11, 2004 by Wire transfer from International Textile Machine Ltd, deposited to account number

[REDACTED] 34-0 held in the name of Colette Panebianco and  
Frances Trotto at HSBC Bank;

- ii. obtained \$25,980.00 on March 25, 2004 by Wire transfer from  
International Textile Machine Ltd, deposited to account number

[REDACTED] 34-0 held in the name of Colette Panebianco and  
Frances Trotto at HSBC Bank;

- iii. obtained \$11,670.25 on August 5, 2005 by wire transfer from  
“International Text. Mach.” deposited to her account number

[REDACTED] 71-01 held in the name of COLETTE PANEBIANCO, at  
JPMorgan Chase Bank.

e. WILLIAM KLISIVITCH:

- i. evaded personal and business income taxes;
- ii. successfully delayed, frustrated and, to the date hereof, avoided payment  
to CHRISTA RITTER of his voluntarily accepted obligations undertaken  
by him as set forth in the aforesaid Stipulations and Agreements made in  
said divorce action, including the QDRO granted to her and as required to  
be paid by him by lawful orders of the New York State Supreme Court, as  
set forth herein;
- iii. acquired an unrecorded interest in said Lloyd Harbor real property valued  
in excess of \$1,350,000.00;
- iv. obtained goods and services, paid college tuition for children as a business

“write-off;”

- v. obtained monies by use of wire between and among separate and distinct legal entities having similar names;
- vi. had personal expenses of himself and of COLETTE PANEBIANCO and ZVI GRINBAUM charged-off as legitimate business expense;
- vii. converted the sum of \$945,705.80 from the ITM Retirement Plan, a portion of which CHRISTA RITTER was entitled to;
- viii. obtained monies to which CHRISTA RITTER was otherwise entitled;
- ix. upon information and belief, obtained monies as dividends passed through the operation of the HATE RICO Enterprise scheme by virtue of his ownership and operation of Company Defendant INTERNATIONAL TEXTILE MACHINES CANADA LTD., through his ownership of WVDAC HOLDINGS, INC., and 142456 CANADA, INC., entities which funneled proceeds to him through COLETTE PANEBIANCO, as detailed herein.

Benefits to Company Defendants

218. That each named Company Defendant benefitted by receiving monies, derived from the pattern of racketeering activity upon which required taxes were to be paid and the failure to pay same resulted in said Company Defendants' receipt of funds it was not entitled to retain and otherwise was not entitled to pay over to the Individual Defendants by way of dividends or other unlawful benefits.

219. Specifically, each Company Defendant benefitted by participating in the HATE RICO

Enterprise scheme as follows:

- i. ITM WORLD GROUP, LLC:
  - (1) received and laundered money by use of wire between and among separate and distinct legal entity Company Defendants having similar names;
  - (2) acquired property without payment of proper tax;
  - (3) paid personal expenses of each individual defendant and charged same as a legitimate business expense:
  
- ii. INTERNATIONAL TEXTILE MACHINES CANADA LTD.:
  - (1) received and laundered money by use of wire between and among separate and distinct legal entity Company Defendants having similar names;
  - (2) acquired property without payment of proper tax;
  - (3) paid personal expenses of each individual defendant and charged same as a legitimate business expense:
  
- iii. WVDAC HOLDINGS, INC.
  - (1) upon information and belief, received monies in the form of alleged "dividends" from INTERNATIONAL TEXTILE MACHINES CANADA LTD., which were proceeds from the operation of the HATE RICO Enterprise scheme, as detailed herein;

iv. 142456 CANADA, INC.

- (1) upon information and belief, received monies in the form of alleged “dividends” from WVDAC HOLDINGS, INC., which were proceeds from the operation of the HATE RICO Enterprise scheme, as detailed herein;

v. 127630 CANADA, INC.

- (1) upon information and belief, received monies in the form of alleged “dividends” from WVDAC HOLDINGS, INC., which were proceeds from the operation of the HATE RICO Enterprise scheme, as detailed herein.

International Textile Machines, Ltd., Retirement Plan-Predicate Act(s) Financial Institution  
Fraud

220. That on October 8, 2003, by using the United States Postal Service, or by wire, addressed to “Citibank, N.A. Retirement Plan services Dept. & Citicorp Investment Services” at 100 Citibank Drive, San Antonio, TX 78235, WILLIAM KLISIVITCH instructed, in his “...capacity as Plan Administrator and ....,” that the entire balance of said account be transferred “...to my new Rollover IRA High Yield....” accounts.
221. On November 3, 2003, CITICORP INVESTMENT SERVICES effectuated the direction of WILLIAM KLISIVITCH, and rolled over into Individual Retirement Rollover Account # 68-01, the sum of \$945,705.80 from the ITM Retirement Plan, in the name of WILLIAM KLISIVITCH.
222. That the act of WILLIAM KLISIVITCH, in directing said CITICORP INVESTMENT

SERVICES to remove the funds in said ITM Retirement Plan and place them into an account in his own name was in violation of the aforesaid Order dated September 23, 2002, issued by the Acting Justice McNulty, was and is a violation of § 753 of New York State Judiciary Law.

223. Further, that the act of WILLIAM KLISIVITCH in directing said CITICORP INVESTMENT SERVICES to remove the funds in said ITM Retirement Plan and place said funds into an account in his own name, was in violation of 29 U.S.C. § 1106, and constitutes a predicate racketeering act as defined by 18 U.S.C. 1961(1)(B), namely 18 U.S.C. §§1341, 1343, and 1344.
224. That said letter dated October 8, 2003, sent by WILLIAM KLISIVITCH through the United States Postal Service or by wire, identified one or more persons, described as a Doe Defendant herein, as the persons who were the source of the advices he purportedly received to terminate said ITM Retirement Plan.

Bankruptcy Fraud Predicate Act(s)

225. On August 5, 2004, the New York State Supreme Court signed an Order on behalf of CHRISTA RITTER requiring CITICORP INVESTMENT SERVICES to pay over the sum of \$385,628.89 DOLLARS from the Individual Retirement Rollover Account in the name of WILLIAM KLISIVITCH, under account number [ ]68-01 to “CB&T CUST IRA/ROLLOVER ACCOUNT Number [ ]5211 CHRISTA RITTER-KLISIVITCH” directly to American Funds, P.O. Box 25067, Santa Ana, CA 92799-5067.
226. On August 17, 2004, a Notice of Settlement of a proposed Supplemental Order, to be