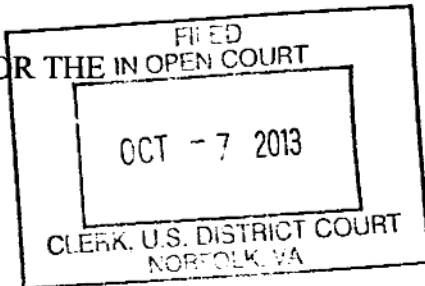


IN THE UNITED STATES DISTRICT COURT FOR THE IN OPEN COURT
EASTERN DISTRICT OF VIRGINIA



Newport News Division

UNITED STATES OF AMERICA)
)
 v.) CRIMINAL NO. 4:13cr47
)
 ELAINE WHITE,)
)
 Defendant.)

STATEMENT OF FACTS

If this matter were to proceed to trial, the United States of America would prove beyond a reasonable doubt, by competent and admissible evidence, the following facts:

1. From in or about 2006 through 2012, ELAINE WHITE, the defendant herein, resided in various locations, that included Ontario, Canada; Nassau, Bahamas; and Providenciales, Turks and Caicos Islands. At all relevant times, the defendant was married to co-defendant Cullen Johnson ("Johnson"). The defendant was a private investigator in Toronto. Johnson was a former detective with the Toronto Police Department.

2. During the aforementioned time period, the defendant and Johnson were the owners and/or operators of various business concerns, doing business as "Internal Affairs," "World Solutions," and "Occipital." Through these concerns, with the assistance of co-conspirators and often using the alias "MoneyPenny," the defendant claimed that her former forensic accounting experience gave her the knowledge and ability to locate missing or stolen assets and trace monies through the international banking system. The defendant and Johnson claimed to be able to do "sweeps" and "searches" of the world financial system's wire transfer clearinghouses.

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3. Clients seeking to locate funds that had been stolen from them, or who believed that relatives or former spouses had hidden money or were otherwise trying to trace lost, missing or stolen assets, hired the defendant and/or her companies and/or co-conspirators to investigate the location of such assets. The defendant and co-conspirators would produce reports of information to such clients, which purported to contain financial and other information subject to the clients' requests.

4. Rather than providing valid information, the defendant and co-conspirators provided the client-victims with false and fraudulent data and fabricated banking records, purporting to show that the assets or monies that clients sought had been moved from one banking institution to another in countries such as Monaco, Greece, Hong Kong, Switzerland, Latin America and the Caribbean. The conspirators convinced victims that for additional payments, they could continue to trace the funds to their final destination. The defendant and Johnson provided this information in so called "Confidential Reports" to clients, via facsimile and e-mail that contained bank account numbers, balances and fund transfers that, in truth and fact, as the defendant well knew, did not exist.

5. In or about 2009, the defendant and Johnson were charged by the Ontario Provincial Police in Canada with crimes related to this asset tracing fraud. The defendant was arraigned and assigned a trial date, but shortly thereafter and being fully aware of the charges, fled Canada, traveling first to the Bahamas, and then to the Turks & Caicos Islands, where the defendant and Johnson continued to operate this fraudulent asset tracing business on U.S. and Canadian victims.

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KMD

6. From 2006 through 2011, victims of the asset tracing scheme wired the conspirators approximately \$1,021,738.60 to bank accounts under their control in Canada, Bahamas and the Turks and Caicos Islands. From in or about May of 2009 through September of 2011, the defendant and/or Johnson wired approximately \$526,530.51 from these banks to the Bank of America bank account of an individual residing in the Eastern District of Virginia in order to promote and continue the fraud scheme. Bank of America is a financial institution, as defined by 18 U.S.C. § 20, operating in and the activities of which affect and impact interstate and foreign commerce.

7. An investigation by the Canadian authorities and the Internal Revenue Service, Criminal Investigation Division determined that from in or about 2006 through 2011, the defendant and her conspirators provided hundreds of fraudulent banking records and other information via fax, e-mail, and phone to Canadian victims R.M., A.P., G.H., A.L., K.J., A.C, and L.L. The defendant and her co-conspirators were paid approximately \$515,693.60 cumulatively by these victims under the misconception that they were paying for and being provided with valid financial information.

8. One of the defendant's co-conspirators, Theodoros Grontis ("Grontis"), a Canadian citizen, resided within the Eastern District of Virginia from in or about May 2009 through in or about September 2011. While in the United States, Grontis caused the transfer of the fraudulently obtained funds from the asset recovery scheme into the Bank of America account of J.B., located within the Eastern District of Virginia. These transfers (approximately 68 in total) were in various amounts, including various transfers greater than \$10,000. As part of the asset recovery scheme described herein, Grontis made telephone calls and sent e-mail communications, resulting in the transmission of information electronically between phones and

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computers in the Eastern District of Virginia to phones and computers located outside of the Commonwealth of Virginia.

9. If this matter were to proceed to trial, G.H., a client-victim would testify as follows: G.H. was a partner with a law firm in Toronto, Ontario. G.H.'s law firm was the victim of embezzlement by an employee in the approximate amount of \$100,000.00. One of the other attorneys in the firm had previously utilized the defendant's services in a divorce case. The attorney was pleased with the results that the defendant provided, though the information that was provided that reflected bank account information was never verified due to the case settling.

10. G.H. hired the defendant and her associate to determine if the law firm's former employee still had the firm's money and, if so, where it was located. The defendant provided documents to G.H. showing that the former employee did in fact have money in numerous accounts. G.H. paid the defendant more money to continue the search and "open" the accounts. The defendant provided G.H. with documents that showed the money had been moved to various foreign banks, including a bank in Hong Kong. G.H. ultimately paid approximately \$28,000.00 for this information.

11. G.H. hired an attorney in Hong Kong to go to the bank with the requisite legal papers and acquire the money that was supposedly placed there by the former employee. The bank advised that no such account existed, and the account provided was in an incorrect format.

12. Beyond the Canadian client-victims, from in or about 2009 through 2011, the defendant and co-conspirators provided hundreds of fraudulent banking records, tax records, and other information via facsimile, e-mail, and phone to client-victims within the United States, to include: D.H., J.H., V.H., L.O, E.C., D.P., J.G. and S.T. The defendant and Johnson were paid

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Kim B. [Signature]

approximately \$453,345.00, in aggregate by these victims under the misconception that they were being provided valid financial information.

13. If this matter were to proceed to trial, E.C., a client-victim, would state the following: E.C. was employed as President of the American Justice Coalition, a non-profit victim advocacy investigative firm headquartered in Yakima, Washington. In that capacity E.C. conducted financial investigations on behalf of clients who were attempting to locate and recover monies and assets.

14. In or about March of 2009, E.C. became involved as an advocate for a group of victims in Canada that had been defrauded in a Ponzi scheme. One of the victims of the fraud advised E.C. that he had been introduced by an attorney to two investigators that specialized in tracing money throughout the international banking system.

15. In or about September of 2009, this attorney facilitated the first of several phone calls between E.C. and the two investigators, one of which E.C. later learned was the defendant. During this telephone call, the defendant discussed her ability to locate foreign assets.

16. In or about November 2009, E.C. traveled to Ontario, Canada and personally met with the defendant. The defendant gave a presentation to E.C. and several members of the victim group who had retained him. The defendant and her associate indicated that their financial "sources" could trace monies in the United States and through offshore accounts, and the defendant claimed that, on account of her experience as a private investigator, she had extensive investigative contacts. Based on this meeting and several subsequent phone conversations, E.C. was satisfied that that the defendant could locate money that had been transferred overseas.

*See also
KMD
[Signature]*

17. In or about July of 2010, E.C. was retained by a group of victims that had been defrauded in an investment scheme. In all, the victims lost approximately \$9,000,000 by investing in a medical equipment company called Advanced Health Scan. The owner of Advanced Health Scan, D.C., misappropriated the investors' money. D.C. had previously been convicted of fraud pertaining to Advanced Health Scan.

18. E.C.'s clients believed that D.C. had hidden investors' money. In his capacity as advocate/facilitator, E.C. advised the clients that the defendant might be able to assist us in locating the stolen funds that may have been secreted offshore. E.C.'s clients had previously obtained some limited bank account information regarding D.C. which he provided to the defendant. From in or about August 2010 through on or about March 2011, E.C. wired approximately \$72,190.00 to the defendant's RBC Bahamas bank account ending in 0623.

19. The defendant and her associate provided E.C. with a report identifying several Wells Fargo Bank accounts in the name of D.C. and his former companies. The report also listed additional accounts held at Wells Fargo Bank. The defendant provided E.C. with a second report dated August 19, 2010. That report indicated that the known bank account for D.C. had a balance of zero, but that the account was "associated" with several foreign banks including; Scotia Bank Panama, Scotia Bank Securities Panama, Banamex Mexico City, Banco Santander Mexico City, and Banco Santander Panama.

20. E.C. received subsequent reports from the defendant indicating that D.C. had moved the funds through various banking institutions in multiple foreign countries. The reports advised that the funds were ultimately deposited into a bank account at J. Safra Bank in Monaco, which contained \$4.7 million dollars, and was in the name of D.C. and his former company.

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21. In early 2011, E.C.'s clients retained a Florida based law firm to attempt to collect monies from the Monaco accounts. The law firm hired an attorney in Monaco to assist. The Monaco attorney subsequently advised that the accounts did not exist.

22. On any occasion the information that the defendant provided to client-victims was found by the client-victims to be false, the defendant asserted that the information was in fact valid, and that the victims or their representatives had simply gone about collecting the money improperly.

23. On any occasion a victim or client discovered the defendant's true identity, and her pending arrest warrants for fraud in Canada, the defendant claimed that she had been persecuted and wrongfully charged due to her discovery of government corruption in Canada, and the hiding of funds by Canadian politicians and officials in offshore banks.

24. E-mail search warrants served on the e-mail accounts of the defendant, Johnson and Grontis revealed numerous communications related to the production of reports that contained false and fraudulent financial information.

25. Further investigation revealed that funds from the fraudulent asset recovery scheme were transferred to J.B.'s Bank of America account in the Eastern District of Virginia.

26. The defendant stipulates and agrees that her participation in the events described was undertaken knowingly, intentionally and unlawfully and not as a result of an accident, mistake or other innocent reason.

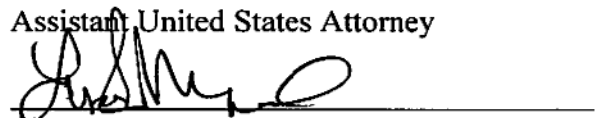
Respectfully Submitted,
DANA J. BOENTE
ACTING UNITED STATES ATTORNEY

By:

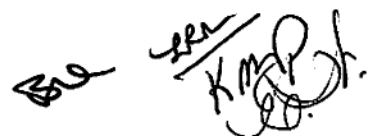


Brian J. Samuels
Assistant United States Attorney

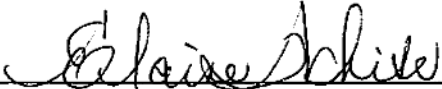
By:



Lisa R. McKeel
Assistant United States Attorney




After consulting with my attorney, I hereby stipulate that the above Statement of Facts are true and accurate, and that had the matter proceeded to trial, the United States could prove these facts beyond a reasonable doubt.



ELAINE WHITE
Defendant

I am counsel for ELAINE WHITE. I have carefully reviewed the above Statement of Facts with her. To my knowledge, her decision to stipulate to these facts is an informed and voluntary one.



Kevin Diamonstein, Esq.
Counsel for the Defendant

