

FILED
CHARLOTTE, N.C.

OCT 4 2006

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

U.S. DISTRICT COURT
W. DIST. OF N.C.

UNITED STATES OF AMERICA)
)
 v.)
)
(3) SAMUEL THOMAS CURRIN)
_____)

DOCKET NO. 3:06CR74-Britt

PLEA AGREEMENT 3:06cr 403-B

NOW COMES the United States of America, by and through Gretchen C.F. Shappert, United States Attorney for the Western District of North Carolina (Matthew T. Martens and Kurt W. Meyers, Assistant United States Attorneys, appearing), and the defendant, Samuel T. Currin, in person and through counsel, Mark T. Calloway, Esq., Thomas G. Walker, Esq., and Anne M. Tompkins, Esq., and respectfully inform the Court that they have reached the following agreement:

I. Plea

1. The defendant agrees to enter a voluntary plea of guilty to Count Five as set forth in the Bill of Indictment. In addition, the defendant agrees to enter a voluntary plea of guilty to Counts One and Two as set forth in the Bill of Information in the matter of *United States v. Samuel T. Currin*, Docket No. 3:06CR403. A factual statement summarizing the defendant's conduct is attached hereto as Exhibit 1.

2. If the Court finds the defendant's plea to be voluntarily and knowingly made, and accepts the plea, then this Office will move at the appropriate time to dismiss the remaining counts in the Bill of Indictment and the U.S. Attorney's Offices for the Western District of North Carolina and the Eastern District of North Carolina will (a) move at the appropriate time to dismiss the remaining counts of the Bill of Indictment as they apply to the defendant; and (b) not prosecute the defendant for additional offenses, if any, arising from the Government's investigation of Absolute Health & Fitness, Inc., Concorde America, Inc., Bio-Heal Laboratories, Inc., GTX Global Corp., and related individuals and entities. Nothing in this agreement will bar the Government from prosecuting the defendant for offenses not previously disclosed by the defendant to the Government as of the date of this Plea Agreement, any crimes of violence, any subsequent crimes of any type, and any subsequent acts of perjury, false statements, or obstruction of justice.

3. The defendant agrees that the Court may consider any such dismissed count and all pertinent information as "relevant conduct," *United States Sentencing Guidelines* [U.S.S.G.] § 1B1.3. The Court may also consider any dismissed count as a "conviction" for purposes of 28 U.S.C. § 1920 (court costs, including fees for interpreters), as well as for purposes of forfeiture and restitution.

II. Sentence

4. The defendant is aware that the statutory sentence for each count is as follows:

Count Five (obstruction): a \$250,000 fine, no more than twenty (20) years imprisonment, or both, and no more than five (5) years supervised release.

Count One (money laundering conspiracy): a \$500,000 fine, no more than twenty (20) years imprisonment, or both, and no more than five (5) years supervised release.

Count Two (IRS obstruction): a \$5,000 fine, no more than three (3) years imprisonment, or both, and no more than one (1) year supervised release.

5. The defendant understands that supervised release is a term of supervision that runs consecutively to any sentence of incarceration and that if the Court imposes a term of supervised release, the United States Probation Office will supervise him during that term and will require that he make regular reports and visits to its office. The defendant understands that a violation of the conditions of supervised release may subject him to an additional period of incarceration up to the maximum term of years imposed as supervised release.

6. The defendant is aware that the Court will consider the *United States Sentencing Guidelines* in determining the appropriate sentence, and that the sentence will be without parole. The defendant is further aware that the Court has not yet determined the sentence, that any estimate from any source, including defense counsel, of the likely sentence is a prediction rather than a promise, and that the Court has the final discretion to impose any sentence up to the statutory maximum for each count. The defendant further understands that no recommendations or agreements by the United States are binding upon the Court.

7. With regard to the Sentencing Guidelines, the defendant and the United States, pursuant to Fed. R. Crim. P. 11(c)(1)(B), stipulate and agree to recommend to the Court as follows:

a. The criminal offenses under investigation by the grand jury obstructed by the defendant were the securities fraud and money laundering scheme involving Absolute Health and Fitness, Inc.

b. The "value of the laundered funds" attributable to the defendant was in excess of \$1 million but less than \$2.5 million.

c. The offense levels for the subject offenses are as follows:

Counts Five (obstruction) and One (money laundering conspiracy)

Base Offense Level [U.S.S.G. §§ 2S1.1(a)(1), 2X1.1(a)]:

8

Specific offense characteristics:

Amount laundered > \$1M [USSG § 2B1.1(b)(1)(I)]	16
Section 1956 laundering [USSG § 2S1.1(b)(2)(B)]	2
Sophisticated laundering [USSG § 2S1.1(b)(3)]	2
Obstruction of justice [USSG § 3C1.1]	<u>+ 2</u>
Adjusted Offense Level:	30

Count Two (IRS obstruction)

Base Offense Level [U.S.S.G. §§ 2T1.1(a)(2)]:	6
Sophisticated means [USSG § 2T1.4(b)(2)]	<u>+ 6</u>
Adjusted Offense Level:	12

d. The defendant may argue to the Court that he has clearly demonstrated acceptance of responsibility for his criminal conduct by, among other things, acknowledging to the Government, the Probation Office, and the Court the nature and extent of all relevant criminal conduct and is thus entitled to a two-level reduction in offense level pursuant to U.S.S.G. § 3E1.1(a). The defendant may also argue to the Court that he has further assisted authorities in the investigation or prosecution of his own misconduct by timely notifying authorities of his intention to enter a plea of guilty and is thus entitled to an additional one-level reduction in offense level pursuant to U.S.S.G. § 3E1.1(b). However, the defendant understands that any reduction in offense level is ultimately for the Court's determination.

e. The defendant and the United States agree that either party may seek a variance or departure from the "applicable guideline range" (U.S.S.G. § 5C1.1).

8. The defendant agrees to pay restitution, regardless of the resulting loss amount, if such an order of restitution is included in the Court's Order of Judgment. The defendant agrees that such restitution, if ordered, may include all victims directly and proximately harmed by the defendant's "relevant conduct," including conduct pertaining to any dismissed counts or uncharged conduct, as defined by U.S.S.G. § 1B1.3, regardless of whether such conduct constitutes an "offense" under 18 U.S.C. §§ 3663 or 3663A. The defendant consents to a civil judgment in state or federal court concerning a claim filed by a "victim" as defined in 18 U.S.C. §§ 3663(a)(2) and 3663A(a)(2). The defendant understands that with a Judgment and Commitment Order that requires the payment of restitution, a lien will be filed on his property. Defendant also understands that his obligation to make restitution shall last for twenty years after the entry of the judgment, release from

imprisonment, or until his death. 18 U.S.C. § 3613.

For the preparation of his Presentence Report, the defendant agrees to cooperate fully with and make a full disclosure of all current and projected assets and property to the United States Probation Office. If the defendant is ordered to serve a term of supervised release or probation, he agrees to make a full disclosure of his assets and property to the United States Probation Office prior to the termination of his supervised release or probation. If the defendant should fail to make the aforementioned full disclosures, then the United States will be relieved of its obligations under the Plea Agreement, but the defendant will not be allowed to withdraw his guilty plea.

9. The parties agree that the Court shall set the amount of fine and shall consider the Fine Table in U.S.S.G. § 5E1.2 as advisory.

10. If more than \$500.00 in restitution, fines, and/or assessment is owed to the United States government, a lien will be filed. The defendant understands that if a lien is filed against his property, his obligation to pay restitution shall last for twenty years after any imprisonment ordered or until his death. 18 U.S.C. § 3613.

11. The defendant hereby agrees to pay the total amount required for assessment (\$300) to the Clerk, United States District Court, before 5:00 p.m. on the date of sentencing. The defendant further agrees to participate in the Inmate Financial Responsibility Program to the extent necessary to fulfill all financial obligations due and owing under this agreement and the law.

12. The defendant agrees to surrender voluntarily any and all of his licenses to practice law on or before the date that he enters his plea of guilty in this matter, and the defendant further agrees not to apply for the reinstatement of such licenses or apply for any other license to practice law prior to the expiration of any term of probation or supervised release imposed at sentencing.

III. Procedure

13. The defendant stipulates that there is a factual basis for the plea of guilty and that the Court may use the offense conduct set out in the Presentence Report and the attached factual basis, except any facts to which the defendant has objected, to establish a factual basis for the defendant's plea.

IV. Waivers

14. The defendant understands and agrees that if he should fail to specifically perform or to fulfill completely each and every one of his obligations under this Plea Agreement, then the United States will be relieved of its obligations under the agreement, but the defendant will not be allowed to withdraw his guilty plea.

15. The defendant is aware that the law provides certain limited rights to withdraw a plea

of guilty. The defendant has discussed these rights with defense counsel and knowingly and expressly waives any right to withdraw the plea once the District Court has accepted it.

16. The defendant acknowledges that Fed.R.Crim.P. 11(f) and Fed.R.Evid. 410 are rules which ordinarily limit the admissibility of statements made by a defendant in the course of plea discussions or plea proceedings if a guilty plea is later withdrawn. The defendant knowingly and voluntarily waives the rights which arise under these Rules. As a result of this waiver, he understands and agrees that any statements which are made in the course of his guilty plea or in connection with his cooperation pursuant to this plea agreement will be admissible against him for any purpose in any criminal or civil proceeding if his guilty plea is subsequently withdrawn.

17. The defendant understands and agrees that by pleading guilty, he is expressly waiving the following rights:

- a. to be tried by a jury;
- b. to be assisted by an attorney at trial;
- c. to confront and cross-examine witnesses; and,
- d. not to be compelled to incriminate himself.

18. Defendant and defendant's counsel warrant that they have discussed: (1) defendant's rights pursuant to 18 U.S.C. § 3742, 28 U.S.C. § 2255, and similar authorities to contest a conviction and/or sentence through an appeal or post-conviction after entering into a plea agreement; (2) whether or not there are potential issues which might be relevant to an appeal or post-conviction action; and (3) the possible impact of any such issue on the desirability to the defendant of entering into this plea agreement.

Defendant, in exchange for the concessions made by the United States in this plea agreement, waives all such rights to contest the conviction and/or the sentence except for: (1) claims of ineffective assistance of counsel; or (2) prosecutorial misconduct. Also, in exchange for the concessions made by the United States, defendant agrees that the United States preserves all its rights and duties with respect to appeal as set forth in 18 U.S.C. § 3742(b), while the defendant waives all rights to appeal or collaterally attack the sentence of conviction with the two exceptions set for above. This agreement does not limit the United States in its comments in or responses to any appellate or post-conviction matters.

19. The defendant waives all rights, whether asserted directly or by a representative, to request or to receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including without limitation any records that may be sought under the Freedom of Information Act, 5 U.S.C. § 552, or the Privacy Act of 1974, 5 U.S.C. § 552a.

20. The defendant stipulates that any sentence that falls within the applicable guideline range as determined by the United States Probation Office and pursuant to any departures from the

applicable range as recommended by the government is *per se* reasonable. The defendant waives any right to contest such a sentence on the basis that the Court's imposition of such a sentence was unreasonable or an abuse of its discretion.

21. Should the conviction following the defendant's guilty plea pursuant to this agreement be vacated for any reason, then any prosecution that is not time-barred by the applicable statute of limitations on the date of the signing of this agreement (including any counts that the Government has agreed to dismiss at sentencing pursuant to this agreement) may be commenced or reinstated against the defendant, notwithstanding the expiration of the statute of limitation between the signing of this agreement and the commencement or reinstatement of such prosecution. It is the intent of this agreement to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date that this agreement is signed.

22. The defendant agrees to waive any rights under the Speedy Trial Act and understands and agrees that sentencing may be delayed until the cooperation phase has been completed and title to all assets have fully vested in the United States. This waiver is necessary so that the Court will have the benefit of all relevant information at sentencing.

23. The defendant waives any and all venue objections, pursuant to Federal Rule of Criminal Procedure 18, the United States Constitution, or otherwise, and expressly consents to the prosecution of this matter in the Western District of North Carolina.

V. Assistance to Government

24. If requested by the United States (including, but not limited to, the Securities & Exchange Commission), but only if so requested, the defendant agrees to cooperate with the United States, including but not limited to the following:

a. The defendant will provide truthful information about the subject charges and about any other criminal activity within the defendant's knowledge to any government agent or agency that the United States designates.

b. The defendant will waive any work-product protection he may have in his role as an attorney with regard to the transactions under investigation. This agreement to waive such privileges and protections shall not apply with regard to the defendant's criminal defense counsel.

c. The defendant will testify truthfully in any trial, hearing, or grand jury proceeding, including, but not limited to, testimony against any co-defendants, as the United States designates.

d. The defendant will truthfully disclose all monies, negotiable instruments, securities, or other things of value that are proceeds of or have been involved in, or have been used or intended to be used to facilitate a violation of state or federal law.

e. In the event that the defendant's cooperation includes testifying, the defendant hereby waives payment of any witness fees or expenses to which he may be otherwise entitled pursuant to 28 U.S.C. § 1821.

f. The defendant understands that the United States desires only truthful and accurate information and testimony and, in fact, that knowingly giving false information or testimony can be prosecuted as an additional criminal offense. Further, if the defendant knowingly gives false testimony, the United States will be relieved of its obligations under this Plea Agreement, except that the defendant's plea of guilty and the resulting guilty verdict will stand.

g. The defendant will not violate any federal, state, or local law, or any order of any court, including any conditions of pretrial, pre-sentence, or post-sentence release.

h. Nothing that the defendant discloses pursuant to this Plea Agreement will be used against him in any other criminal proceeding, subject to the following exceptions:

1.) the United States or other jurisdiction may use any and all relevant information regarding crimes of violence;

2.) the United States may use any and all information as necessary in a prosecution for perjury, or in any trial for impeachment or rebuttal;

3.) if the defendant withdraws his plea of guilty, the United States may use any and all disclosures in any subsequent trials or criminal proceedings;

4.) if the defendant violates any of the terms of this Plea Agreement, including the obligation to provide truthful information, then the United States may use any and all disclosures in subsequent trials or criminal proceedings; and,

5.) the United States may make indirect use of any information that the defendant provides, including investigative leads or other witnesses.

i. The defendant's obligation under this section is a continuing one, and will continue after sentencing until all investigations and/or prosecutions to which the defendant's cooperation may be relevant have been completed. This provision is a material condition of this Plea Agreement and of all benefits that accrue to the defendant pursuant to this agreement.

j. In the interests of fulfilling all obligations under this section, the defendant agrees to waive all rights under Chapters 213 and 208 of Title 18 until such time as the United States determines that all relevant investigations and/or prosecutions have been completed.

k. The defendant fully understands that any breach of this agreement, including but not limited to withholding information, misleading the United States or any law enforcement officer, or failing to testify truthfully at any trial, grand jury, or other judicial proceeding, will allow the government, in its sole discretion, to withdraw from its obligations under this Plea Agreement. In such event, the United States will be free to proceed on any properly-filed pending, superseding, or additional charges, including any charges dismissed pursuant to this agreement.

VI. Forfeiture

25. The defendant agrees to truthfully complete a financial statement form provided by the United States Attorney. The defendant shall date said form and sign it under penalty of perjury, thereby acknowledging that his financial statement fully and completely discloses his financial condition as of the date it is signed. Defendant shall update the financial statement with any material changes to his financial condition. Defendant shall provide his signed and dated financial statement within 30 days of his signature on this Plea Agreement and any updates within seven days of the event changing his financial condition. Defendant understands and agrees that his financial statement will be used for the collection of any fine or restitution ordered by the Court, and the identification of property subject to forfeiture. The parties agree that the defendant's failure to timely and accurately complete and sign a financial statement and any update may, in addition to any other penalty or remedy authorized by law, constitute his failure to accept responsibility under U.S.S.G. § 3E1.1.

26. The notice of forfeiture in this matter sets forth a list of all of the defendant's assets subject to forfeiture. The defendant agrees to take whatever steps are necessary to pass clear title to these assets, or substitute assets for such, to the United States. In addition, the defendant agrees to take any and all steps necessary to repatriate funds or property held outside the United States. These steps include, but are not limited to, surrender of title, the signing of a consent decree, a stipulation of facts regarding the transfer and basis for the forfeitures, and signing any other documents necessary to effectuate such transfers. If and when requested to do so by the government, defendant agrees to ask any nominee holder of the property to execute a form waiving all rights to the property and consenting to forfeiture and/or use of the property for restitution. In addition, the defendant agrees to the entry of a preliminary order of forfeiture as to all of defendant's interest in this property.

27. The United States and the defendant enter into this agreement on the basis of the defendant's express representation that he is making a full and complete disclosure of all assets he owns, controls, or in which he has a possessory or beneficial interest. If the United States later

discovers that the defendant has not fully disclosed all such assets, the United States, in its sole discretion, may withdraw from its obligations under this Plea Agreement. However, the defendant's guilty plea will stand. Alternatively, the United States may seek the forfeiture of any subsequently-discovered assets, in which case the defendant agrees that any such undisclosed assets are subject to forfeiture under this Plea Agreement just as if they had been properly disclosed and listed herein.

28. This agreement does not bind the Internal Revenue Service or affect its authority to collect taxes. The defendant agrees to take all necessary steps to file promptly any and all federal and state individual and corporate income tax returns not filed for previous tax years and to pay any and all taxes, penalties, and interest due as a result of the filing of such.

29. The defendant agrees to a pre-plea investigation by the United States government for the purpose of assessing the value of each and every asset. The defendant agrees to undergo full debriefings in order to accomplish this end.

VII. Conclusion

30. The defendant understands that if he breaches this Plea Agreement, or violates any federal, state or local law, or any order of any court, including any condition of pre-trial or pre-sentence, or post-sentence release, the United States will be relieved of its obligations under this Plea Agreement, but the defendant will not be allowed to withdraw his guilty plea. The United States will be free to proceed on any properly-filed dismissed, pending, superseding, or additional charges.


31. **There are no agreements, representations, or understandings between the parties in this case, other than those explicitly set forth in this Plea Agreement and none will be entered into unless executed in writing and signed by all parties.**

SO AGREED:

GRETCHEN G.F. SHAPPERT, UNITED STATES ATTORNEY


Matthew T. Martens, Assistant United States Attorney


DATED: 10/4/06


Samuel T. Currin, defendant

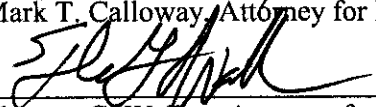
DATED: 10/3/06

Acknowledgment of Attorney

I have read each of the pages constituting this plea agreement, reviewed them with my client, and discussed the provisions of this agreement with my client fully. These pages accurately and completely set forth the entire plea agreement.


Mark T. Calloway, Attorney for Defendant

DATED: 10-3-06


Thomas G. Walker, Attorney for Defendant

DATED: 10-3-06

EXHIBIT 1

FACTUAL BASIS FOR THE PLEA OF SAMUEL T. CURRIN

This statement is submitted to provide a factual basis for my pleas of guilty:

Relevant People and Entities

1. Sterling Trust Ltd. (hereafter, "Sterling Trust") was an Anguillan corporation that maintained offices in Anguilla, British West Indies and Nassau, Bahamas.

2. Sterling ACS Ltd. (hereafter, "Sterling ACS") was a Bahamian corporation in the business of incorporating off-shore entities and providing related financial services.

3. Sterling Bank Ltd. (hereafter, "Sterling Bank") was a St. Lucian corporation in which I was a shareholder and director.

4. Howell Way Woltz (hereafter, "H. Woltz") was the president, a director, and a shareholder of Sterling Trust. In addition, H. Woltz was the president and a director of Sterling ACS and a shareholder and director of Sterling Bank.

5. Vernice Chaitan Woltz (hereafter, "V. Woltz") was the wife of H. Woltz, a certified public accountant, a director of Sterling Trust, a director and chief financial officer of Sterling ACS, and was nominated as a director of Sterling Bank.

6. Ricky Edward Graves was an attorney licensed to practice law in the State of North Carolina.

7. Mr. J was an e-mail spammer and a shareholder and director of Sterling Bank.

8. Mr. R was an attorney licensed to practice law in the State of Florida.

9. Mr. H was a consultant to Sterling Bank.

10. First Curacao International Bank N.V. (hereafter, "First Curacao") was a licensed bank engaged in the business of banking under the rules and regulations of the Central Bank of the Netherlands Antilles.

11. Bovee Enterprises LLC (hereafter, "Bovee") was a company incorporated in or about August 2002 under the laws of Anguilla by Sterling ACS.

12. Pacific Trust was a Bahamian trust formed by Sterling ACS. Pacific Trust held all of the shares of stock in Bovee. Pacific Testamentary Trust was also a Bahamian trust formed by Sterling ACS. Pacific Testamentary Trust was the beneficiary of Pacific Trust. Mr. J and his father were the beneficiaries of Pacific Testamentary Trust. I was the "trust protector" for this trust arrangement. Mr. M, an attorney licensed to practice law in the State of California, was counsel to these trusts.

Securities Fraud and Money Laundering Scheme

13. On or about December 11, 2003, Mr. J, who was then a client of my law firm, was arrested on a Virginia state indictment charging him with the unlawful distribution of unsolicited bulk e-mail (a/k/a "spam"). The unlawful spam e-mail that was the subject of the indictment promoted, among other things, penny stocks.

14. On or about August 11, 2004, the U.S. Securities & Exchange Commission (hereafter, "SEC") initiated an investigation of the manipulation of the publicly-traded securities of both Absolute Health & Fitness, Inc. (hereafter, "Absolute Health") and Concorde America, Inc. (hereafter, "Concorde"). I learned about the SEC's investigation shortly thereafter. At that time, I was already aware of Mr. J's involvement with the stock of Absolute Health.

15. I have reviewed records showing that on or about August 18, 2004, Mr. R wired

approximately \$750,000 from his law firm's client trust account to an account controlled by Mr. J at The National Bank of Anguilla, Ltd. (hereafter, "National Bank of Anguilla"). I have reviewed records showing that this wire passed through Bank of America, N.A.'s offices. Based on information known to me at this time, I stipulate that these funds were the proceeds of specified unlawful activity, namely Mr. J's fraudulent penny stock promotion activities.

16. On or about August 23, 2004, Woltz sent an e-mail to me regarding allegations made by a third-party concerning the conduct of Mr. J and others. I read this e-mail around the time that it was sent.

17. On or about November 3, 2004, Mr. J was convicted on the Virginia state spamming charges.

18. On or about November 9, 2004, approximately \$689,000 of the funds controlled by Mr. J were, with my knowledge and consent, wired to my law firm. Based on information known to me at this time, I stipulate that those funds were held at the National Bank of Anguilla. From on or about November 10, 2004 through on or about April 19, 2004, I caused a series of five (5) checks totaling approximately \$649,000 to be distributed to Mr. J and his wife from those funds. In addition, I caused approximately \$16,000 of the funds to be distributed to my law firm. At the time the wire from the National Bank of Anguilla was received by my law firm, I was willfully blind to the fact that those funds were proceeds of criminal activity involving the promotion of the stocks of Absolute Health and Concorde.

19. On or about February 14, 2005, the SEC filed suit against Absolute Health, Concorde, and others alleging violations of various securities fraud statutes. I learned about the SEC's suit shortly thereafter.

20. On or about March 30, 2005, approximately \$175,000 of funds controlled by Mr. J in an account at First Curacao were wired to my law firm's client trust account in connection with a company known as Bio-Heal Laboratories, Inc. (hereafter, "Bio-Heal"). Based on information known to me at this time, I stipulate that these funds were the proceeds of specified unlawful activity, namely Mr. J's fraudulent penny stock promotion activities. At the time this wire was received by my law firm, I was willfully blind to the fact that those funds were proceeds of criminal activity.

21. On or about April 12, 2005, approximately \$499,980 of funds in Bovee's account at First Curacao were wired, with my knowledge and consent, to my law firm's client trust account. Based on information known to me at this time, I stipulate that these funds were the proceeds of specified unlawful activity, namely Mr. J's fraudulent penny stock promotion activities. At the time this wire was received by my law firm, I was willfully blind to the fact that those funds were proceeds of criminal activity.

22. On or about April 25, 2005, the SEC filed suit against Bio-Heal Laboratories, Inc. and others alleging violations of various securities fraud statutes. I learned about the SEC's suit shortly thereafter.

23. On or about April 26, 2005, I caused approximately \$100,000 to be wired from my law firm's client trust account to a stock broker in Florida. This wire consisted of funds wired into my law firm's client trust account on or about March 30, 2005.

24. From on or about May 23, 2005 through on or about September 30, 2005, I caused a series of seven (7) transfers totaling approximately \$273,000 to be made to my law firm. All of these distributions came from the funds wired to my law firm's client trust account on or about April

12, 2005.

Obstruction of IRS

25. On or about June 30, 2003, I, along with H. Woltz and V. Woltz, caused The Oxford Corp. (hereafter, "Oxford") to be incorporated in or about November 2003 under the laws of Anguilla by Sterling ACS.

26. In or about August 5, 2004, I caused an application for an ExactPay debit card account at First Curacao to be submitted in the name of Oxford. Shortly thereafter, the application was accepted and the account was opened.

27. On or about August 12, 2004, a client of mine caused approximately \$6,000 to be deposited into the Oxford ExactPay account.

28. On or about January 26, 2005, Mr. H transferred approximately \$4,061 into the Oxford ExactPay account.

29. On or about April 15, 2005, I submitted a federal individual income tax return to the Internal Revenue Service, which return failed to report as income the \$6,000 that had been deposited into the Oxford ExactPay account.

30. From on or about June 28, 2005 through on or about July 5, 2005, I withdrew approximately \$6,000 in cash from the Oxford ExactPay account through use of the debit card at automated teller machines in Raleigh, North Carolina.

Conspiracy to Obstruct Justice

31. Pursuant to the grand jury's investigation, on or about November 2, 2005, attorney Robert Shawn Wellons and I were each served with a grand jury subpoenas demanding the production of documents in the custody or control of our respective law firms. Specifically, the

grand jury's subpoenas to both my law firm and Wellons' law firm called for the production of, among other things, "[a]ny and all documents referring or relating to the grant of stock in Ornate Holdings, Inc. to Randall Rohm or Double R Enterprise, Inc."

32. At the time I received my grand jury subpoena, my law firm had in its possession at least three documents responsive to the grand jury's subpoena, including: (1) a certificate for 27,000,000 shares of Ornate Holdings, Inc. stock issued to Double R (hereafter, the "Stock Certificate"); (2) a document from the transfer agent that issued that Stock Certificate (hereafter, the "Transfer Agent Document"); and (3) a post-it note stating that the Stock Certificate and the Transfer Agent Document were for "Shawn to pick up" (hereafter, the "Post-it Note").

33. At the time Wellons received his Grand Jury subpoena, Wellons' law firm had in its possession several documents responsive to the grand jury's subpoena, including: (1) a letter dated December 14, 2004 (hereafter, the "December 14th letter") attaching, among other things, a fax transmittal sheet dated December 13, 2004 from me to Wellons (hereafter, the "Fax Transmittal") containing a handwritten note by Currin stating that I was in possession of the original Stock Certificate; (2) a letter from Wellons to me dated November 2004 (hereafter, the "November 2004 letter"); and (3) billing records for legal work performed by Wellons for Mr. J.

34. On or about November 4, 2005, Wellons spoke by telephone with me and informed me that he had received a federal grand jury subpoena. I advised Wellons that, after he had gathered the responsive documents, the two of us would decide which documents would be appropriate to produce to the grand jury. At no time during that conversation did I reveal that I had also received a grand jury subpoena.

35. On or about December 1, 2005, Wellons brought all documents he deemed responsive

to the grand jury's subpoena – including the Fax Transmittal, Wellons' billing records, and the November 2004 letter – to my law office in Raleigh, North Carolina to discuss the same with me. During that meeting, Wellons and I agreed that he would not produce the Fax Transmittal, the billing records, and the November 2004 letter to the grand jury even though we knew that the documents were responsive to the subpoena. Also during that meeting, Wellons advised me that he believed that I had possession of the Stock Certificate, and I stated that I would search my office for such.

36. On or about December 8, 2005, I brought the Stock Certificate and the Transfer Agent Document to Wellons' law office in Raleigh, North Carolina and asked Wellons to produce those documents to the grand jury. Wellons and I agreed that he would falsely testify that he had been in possession of the Stock Certificate since December 2004.

37. On or about Monday, December 12, 2005, Wellons shipped documents responsive to the grand jury's subpoena to the U.S. Attorney's Office in Charlotte, North Carolina via Federal Express. Among the documents produced were the Stock Certificate and the Transfer Agent Document. Also included in the documents produced was the December 14th letter. However, prior to producing said letter, Wellons unstapled the Fax Transmittal from the December 14th letter and failed to produce the same to the U.S. Attorney's Office, as we agreed.

38. On or about Wednesday, December 14, 2005, Wellons and I met for lunch at my request. During that meeting, I revealed to Wellons for the first time that I had also received a subpoena from the grand jury. Wellons and I then again discussed the agreement to provide false testimony to the grand jury regarding possession of the Stock Certificate.

39. Shortly before lunch on Friday, December 16, 2005, Wellons appeared as a witness before the grand jury pursuant to the subpoena demanding the production of documents from his law

firm.

40. At or about the time of Wellons' morning appearance before the grand jury, I placed two cell phone calls to Mr. J and spoke with him for a total of approximately twenty (20) minutes.

41. During the lunch recess of the grand jury on December 16, 2005, Wellons and I met to discuss how his testimony had gone that morning before the grand jury.

42. After lunch, Wellons returned to the grand jury for further testimony. When Wellons later exited the grand jury, I was immediately brought before the grand jury. During my appearance before the grand jury, I stated that there were no documents in the possession of my law firm that were responsive to the grand jury's subpoena. At no time did I produce the Post-it Note to the grand jury. Furthermore, I falsely denied being in possession of the Stock Certificate and the Transfer Agent Document at any time after receiving the grand jury's subpoena directed to my law firm. Specifically, I provided the following underscored materially false testimony:

"Q: And as you sit here today do you have any documents responsive to the subpoena?"

"A: No."

"Q: Okay. Have you from the time you received the subpoena shortly after it was issued until today have you ever had documents responsive to the subpoena in your possession?"

"A: The only – the only document I think that I would have had, well I am certain that I would have had would have been a stock cert for, and it's been so long since I've looked at it, a stock cert for either Ornate or Double R, I am not positive. But that was given to attorney Shawn Wellons and it's been a long time since I have even

seen it. But it either has Ornate Holdings on it or Double R. It's what was referenced in the subpoena."

"Q: When you say it's been a long time since you have seen it, how long has it been since you have seen it?"

"A: Probably – well, this is December, probably a year, a year ago."

"Q: The last time you saw the stock certificate was a year ago?"

"A: As I best recall. And I was talking with Shawn about it the other day and he may have had a copy of it – "

"Q: Okay."

"A: – that I saw. But I haven't seen, I haven't seen the original in probably a year or maybe 14 months or whenever." (Tr. at 7-8).

* * *

"Q: Did you have the stock certificate that you have referenced for either Ornate or Double R in your possession after receiving the subpoena?"

"A: Don't think so."

"Q: You didn't?"

"A: No." (Tr. at 9).

* * *

"Q: And you said the last time you have seen those two documents, Exhibit 31 [the Stock Certificate], was about a year ago; is that right?"

"A: Uh-huh?."

"Q: Is that a yes?"

"A: Yes." (Tr. at 9).

* * *

"Q: So . . . just to be clear, is it your testimony that after the time you received the grand jury subpoena that I have marked and showed you today, you did not have Exhibit 31 in your possession?"

"A: No."

"Q: No you did not have it in your possession?"

"A: No I did not." (Tr. at 10-11).

* * *

"Q: . . . Did you discuss what you would testify about before the Grand Jury with Shawn?"

"A: No."

"Q: Did Shawn know that you had a Grand Jury subpoena?"

"A: Yes, I am sure he did."

"Q: When do you think Shawn knew? What's the earliest you think Shawn knew that you had a Grand Jury subpoena?"

"A: I don't know. I don't know."

"Q: Was it – did he know before this week?"

"A: I feel like he would have."

"Q: Why do you think you feel like he would have?"

"A: Because we discussed this."

"Q: You discussed that certificate, is that correct, Exhibit 31? Is that a yes?"

"A: I am sure. Yes."

"Q: You're sure you discussed the certificate prior to this week with Shawn Wellons?"

"A: I think so."

"Q: Is there some doubt in your mind about that?"

"A: I think I probably – I know I discussed it with him this week."

"Q: Did you discuss it with him prior to this week?"

"A: I don't recall. I don't recall." (Tr. at 11-12).

* * *

"Q: So one last time, at any time after receipt of the Grand Jury subpoena which you have previously been shown did you have Exhibit 31 in your possession?"

"A: I may have. I may have."

"Q: You may have. What makes you now say – the answer has evolved here from no to I don't recall to I may have. What is it that causes your answer to now become a may have?"

"A: I am just not sure, just not sure."

"Q: So now we are back to the I don't recall or you're unsure answer, is that correct? Is that your final answer?"

"A: Yes."

"Q: Your final answer is you don't recall whether you had it in your possession or not? Is that a yes?"

"A: Yes." (Tr. at 14-15).

43. After the prosecutor conducting the grand jury investigation reminded me of the penalties for perjury, that I was under oath, and that I was not the first witness to appear in the grand jury on that date, I was asked if I had met with Wellons after receipt of the grand jury's subpoena and provided the Stock Certificate and the Transfer Agent Document to Wellons. I then requested an opportunity to consult with counsel, and my request was granted.

44. After I exited the grand jury room, I followed Wellons into the men's restroom in an effort to speak with him, but a federal law enforcement agent followed the two of us into the restroom. I later attempted to place a call from my cell phone to Wellons' cell phone, despite the fact that Wellons was just down the hallway from me in the courthouse at the time. Wellons did not answer the call.

45. After consulting with counsel, I returned to the grand jury room and changed my prior testimony, admitting that I had given the Stock Certificate to Wellons after receipt of the grand jury's subpoena. I then proceeded to provide additional false testimony to the grand jury in response to other questions posed to me. Specifically, I provided the following underscored materially false testimony:

"Q: Did you discuss with him [Wellons] whether or not he should produce the fax cover sheet from your firm to him, to the Grand Jury?"

"A: The fax cover sheet?"

"Q: Yes."

"A: I have no recall of that."

"Q: I am going to show you what's been previously marked as Grand Jury Exhibit 36, page 2 of that up on the screen behind you, fax cover sheet from the Currin Law

firm. That's your firm, correct?"

"A: That's right."

"Q: Three pages to Shawn Wellons, correct?"

"A: Right."

"Q: Says, comments, I have the originals in the office, Sam. Is that your handwriting?"

"A: That's my scribbling."

"Q: Did you have a conversation with Mr. Wellons about this fax cover sheet prior to your appearance in the Grand Jury today?"

"A: I don't recall, not the fax cover sheet."

"Q: Did you have a discussion with him about whether or not he should produce this fax cover sheet to the Grand Jury?"

"A: I don't recall the fax cover sheet being discussed." (Tr. at 27-28).

* * *

"Q: Did you have discussion with Shawn Wellons about what he would tell this Grand Jury regarding your possession of this stock certificate? Yes or no?"

"A: I did not discuss with him what he was going to say. I didn't know what he was going to be asked here, what he would say."

"Q: You did not discuss with Shawn Wellons what he would testify to or should testify to regarding your possession of that stock certificate?"

"A: No."

"Q: Go ahead."

"A: No, I didn't go into any detail about that."

"Q: I didn't ask if you went into any detail. I asked if you had any discussion. Yes or no?"

"A: The discussion I had with him is that he got this from me and he also got the copy of it a year ago."

"Q: Did you have discussion with Shawn Wellons about what he should tell the Grand Jury about when he got it from you?"

"A: I don't recall specifically discussing that with Shawn."

"Q: Do you recall generally discussing that?"

"A: No." (Tr. at 30-31).

* * *

"Q: Do you have any business dealings outside the United States?"

"A: No business dealings."

"Q: So your entire business operations of any type, legal or any other type of business operations, would be in the United States?"

"A: That is correct."

"Q: So you wouldn't have any reason, your testimony is, to search outside the United States for business records that would be responsive to this subpoena?"

"A: No, no. . . ." (Tr. at 54).

46. On December 16, 2005, after testifying before the grand jury, Wellons and I returned to Raleigh, North Carolina on the same flight. Upon arriving in the Raleigh airport, I spoke with Wellons regarding the substance of his testimony before the grand jury. Wellons advised me that

he had invoked the Fifth Amendment in response to certain questions and had testified that I delivered the Stock Certificate to him after he received his grand jury subpoena. I then proposed another false story that Wellons and I could provide to the government in an effort to conceal our prior wrongdoing. At or about 8:15 p.m. that evening, I placed an approximately ten-minute cell phone call to Mr. J.

47. At or about 8:35 a.m. on Monday, December 19, 2005, I left a voice mail for Wellons requesting a meeting. Wellons never responded to my call.

48. In the early morning hours of Friday, December 23, 2005, law enforcement agents with the Federal Bureau of Investigation and the Internal Revenue Service's Criminal Investigation Division executed a search warrant on my law offices in Raleigh, North Carolina. I was aware of the search at the time it occurred. At the same time, I was also served with a grand jury subpoena demanding the production of additional documents from my law firm.

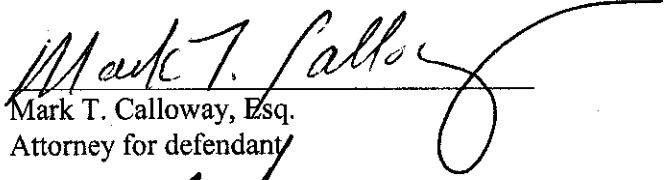
49. Following the search of my law offices on December 23, 2005, I placed an approximately 22-minute cell phone call to Mr. J at or about 5:42 p.m. During that call, I advised Mr. J that a search warrant had been executed at my law firm's offices.

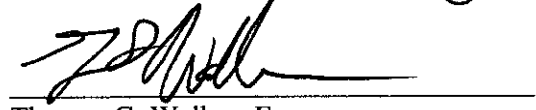
The preceding statement is a summary of the facts relevant to the charges to which I am pleading guilty. It does not include all of the facts known to me concerning activity in which I and others engaged or in which others engaged without my knowledge at the time of my participation. I make this statement knowingly and voluntarily.

Date: 10-3-06



Samuel T. Currin, defendant


Mark T. Calloway, Esq.
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