

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

Clerk  
Honorable  
Magistrate

02-70902

ARTHUR J. TARNOW

APPROXIMATELY \$4.2 MILLION HELD IN  
COMERICA BANK HOLDING ACCOUNT  
GENERAL, LEDGER DEMAND DEPOSITS -  
GARNISHED,

Defendant.

MAGISTRATE JUDGE SCHEER

FILED  
1002 MAR 11 P 4:20  
U.S. DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN

COMPLAINT FOR FORFEITURE

NOW COMES Plaintiff, the United States of America, JEFFREY G. COLLINS, United States Attorney for the Eastern District of Michigan, by and through THOMAS A. CAPEZZA, Assistant United States Attorney, and states upon information and belief as follows in support of this Complaint for Forfeiture:

- 1) This is an in rem civil forfeiture action pursuant to 18 U.S.C. § 981(a)(1)(C).
- 2) Jurisdiction and venue are proper pursuant to 28 U.S.C. §§ 1345, 1355 and 1395.
- 3) The defendant is Approximately Four Million Two Hundred Thousand Dollars in United States Currency (the "Defendant Funds") frozen from Comerica Bank Account Nos. 1851172591 (Commodity Consultants International, Inc.), 1851172641 (Commodity Consultants International, Inc.), and 1850528900 (FutureWise Trading Group, Inc.), as well as Cashier Check Nos. 264516326 (drawn from Comerica Account No. 1851172591), 264516325 (drawn from Comerica Account No. 1851172641) and 264516262 (drawn from Comerica Account No.

1850528900). The funds in these accounts, and the funds from the negotiated cashiers checks, have been frozen and are currently secured in a holding account entitled Comerica Bank Holding Account General, Ledger Demand Deposits - Garnished.

4) The Defendant Funds were frozen within this judicial district. See Commodity Futures Trading Commission v. Todd James Snively, Commodity Consultants International, Inc. and FutureWise Trading Group, Inc., Civil Action No. 02-40041 (February 8, 2002 Order by the Honorable Paul V. Gadola, U.S.D.J., attached as Exhibit A).

5) There is evidence that the Defendant Funds constitute or are derived from proceeds traceable to a violation of 18 U.S.C. § 1343 (Fraud by Wire, Radio or Television).

6) The facts supporting this evidentiary determination include, but are not limited to, the following:

- a. In or around June 2001, Todd James Snively ("Snively") began to solicit and accept investment funds from members of the public through internet marketing for the purpose of opening trading accounts and investing in commodity futures.
- b. Snively prepared and electronically signed correspondence to investors that included wire transfer instructions, account approval letters and claims promoting Commodity Consultant International, Inc. ("CCI") as a "clearing firm," or a firm able to accept the customer accounts. Snively used an internet web-based trading platform operated through CCI and FutureWise Trading Group ("FutureWise"), both Michigan corporations, which permitted investors to place orders for their own accounts on the website. Investors also placed orders by telephone. Snively was, at all times relevant, president of CCI and FutureWise and acted as an agent for both companies.
- c. Investors placed orders with FutureWise and CCI with the understanding that representatives of these companies would cause the orders to be executed for the investors' accounts. FutureWise and CCI accepted customer funds for these orders by wire transfers, between federally insured banks, up to and including February 8, 2002.
- d. FutureWise and CCI, however, conducted no trading on behalf of investors and did

not introduce investors' accounts to any other entity where trading was conducted.

- e. Additionally, FutureWise, CCI and Snively, or persons working under their direction, willfully made or caused to be made materially false reports or statements to investors, in that, they caused to be available false trading account statements which investors accessed via the internet on the website mentioned above.
- f. On February 6, 2002, Snively withdrew more than \$2.5 million of investor funds from Comerica Bank Account No. 1851172591, a customer segregated bank account held in the name of CCI.
- g. On February 7, 2002, representatives of the CFTC contacted Snively and demanded immediate inspection of the books and records of CCI and FutureWise, as permitted by the Commodity Exchange Act (7 U.S.C. § 6g(a)). Snively initially denied CFTC representatives access to any records. Later that day, Snively granted CFTC representatives access.
- h. An initial review of CCI and FutureWise books and records revealed that the corporations received approximately \$7.8 million from investors, repaid approximately \$1.5 million to investors, and approximately \$6.3 million remains owed to investors.
- i. The CFTC filed a Complaint entitled *Commodity Futures Trading Commission v. Todd James Snively, Commodity Consultants International, Inc., and FutureWise Trading Group, Inc.*, Civil Action No. 02-40041, in the United States District Court for the Eastern District of Michigan. The CFTC seeks injunctive and other equitable relief as well as civil penalties under the Commodity Exchange Act. On February 8, 2002, the Honorable Paul V. Gadola, U.S.D.J., granted the CFTC's request to temporarily restrain assets, the Defendant Funds (Exhibit A), and that restraint was subsequently extended by agreement of the litigants.

#### CLAIM

- 7) Plaintiff repeats and re-alleges each and every allegation set forth in paragraphs 1 through 6 above.
- 8) The Defendant Funds are forfeitable to the United States of America pursuant to 18 U.S.C. § 981(a)(1)(C) because they constitute or are derived from proceeds traceable to a violation of 18 U.S.C. § 1343 (Fraud by Wire, Radio or Television).

RELIEF

WHEREFORE, Plaintiff, the United States of America, respectfully requests that a warrant for arrest of the Defendant Funds be issued; that due notice be given to all interested parties to appear and show cause why the forfeiture should not be decreed; that judgment be entered declaring the Defendant Funds be condemned and forfeited to the United States of America for disposition according to law; and that the United States of America be granted such other further relief as this Court may deem just and proper, together with the costs and disbursements of this action.

Respectfully submitted,

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Dated: *March 11, 2002*