

[REDACTED]

From: USAILN-Victim.MK (USAILN)
Sent: Thursday, July 07, 2011 1:25 PM
To: Weiler, Felice (USAILN)
Subject: FW: Case number 2005R00908

From: [REDACTED] (SMTP: [REDACTED])
Sent: Thursday, July 07, 2011 10:45:17 AM
To: USAILN-Victim.MK (USAILN)
Subject: RE: Case number 2005R00908
Auto forwarded by a Rule

To The Honorable Judge Ronald Guzman,

I agree with your authorizing the Special Master to proceed with the amended agreement with the original buyer, and your final approval of the sale of Puerto Cancun.

Respectfully submitted,

Maria Horvath.

[REDACTED]

From: USAILN-Victim.MK (USAILN)
Sent: Thursday, July 07, 2011 12:37 PM
To: Weiler, Felice (USAILN)
Subject: FW: case#2005r00908 @ COURT DOCKET # 06-CR-00964

From: BRIAN-JEANNE[SMTP: [REDACTED]]
Sent: Thursday, July 07, 2011 3:36:33 PM
To: USAILN-Victim.MK (USAILN)
Subject: case#2005r00908 @ COURT DOCKET # 06-CR-00964
Auto forwarded by a Rule

UNITED STATES ATTORNEY OFFICE
VICTIM AND WITNESS UNIT

WE AGREE WITH THE JULY 5, 2011 AMENDED AGREEMENT TO APPROVE THE FINAL SALE OF PUERTO CANCUN.

WE ARE 73 YEARS OLD SENIORS AND HAVE LOST ONE FULL PENSION TO THIS INVESTMENT.
WE HAVE LOST OUR 760 CREDIT SCORE AND ARE NOW A CREDIT RISK AND NO ONE IS
WILLING TO GIVE US CREDIT ANYMORE.

IT IS TIME TO FINALIZE THIS SALE AND PAY THE INVESTORS, WE HAVE SUFFERED ENOUGH
AFTER MANY MANY YEARS OF COURT HEARINGS.

WE NEED OUR MONEY SO WE CAN SURVIVE; AFTER WORKING 40 YEARS THEN LOSING OUR
PENSION TO A PONZI SCHEME BY MICHAEL KELLY.

IT'S TIME TO SETTLE WITH THE VICTIMS WE HAVE WAITED LONG ENOUGH, 4 YEARS FOR
OUR MONEY.

BRIAN L HENRY
JEANNE M HENRY

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

From: USAILN-Victim.MK (USAILN)
Sent: Wednesday, July 06, 2011 4:25 PM
To: Weiler, Felice (USAILN)
Subject: FW: Sale

From: Weise, Coby [SMTP: [REDACTED]]
Sent: Wednesday, July 06, 2011 5:25:03 PM
To: USAILN-Victim.MK (USAILN)
Cc: Weise, Coby
Subject: Sale
Auto forwarded by a Rule

Louis Weise would like to what he is needed to do at this time. What amounts of money would he receive out of this sale.

[REDACTED]

From: USAILN-Victim.MK (USAILN)
Sent: Thursday, July 07, 2011 1:23 PM
To: Weiler, Felice (USAILN)
Subject: FW: Michael Eugene Kelly Case number 2005R00909 Court Docket Number 06-CR-00964

From: HJORDIS HARTL[SMTP: [REDACTED]]
Sent: Thursday, July 07, 2011 10:20:47 AM
To: USAILN-Victim.MK (USAILN)
Subject: Michael Eugene Kelly Case number 2005R00909 Court Docket Number 06-CR-00964
Auto forwarded by a Rule

I am a victim of Michael E. Kelly and hope this case will be settled soon since I am a retired widow living on Social Security only.

According to my records and yours I should be receiving

\$60, 308.54

since I invested \$84, 790.50.

Will I receive the sum in one payment when this case is settled?

Cordially,

**Mrs Hjordis Hartl
Hugs instead of drugs, advice from
me**

[REDACTED]

From: [REDACTED]
Sent: [REDACTED]
To: [REDACTED]
Cc: [REDACTED]
Subject: FW: Michael Kelly matter

From: USAILN-Victim.MK (USAILN)
Sent: Monday, July 11, 2011 9:51 AM
To: Weiler, Felice (USAILN)
Subject: FW: Michael Kelly matter

From: Bruce Vangsnes[SMTP: [REDACTED]]
Sent: Monday, July 11, 2011 10:50:24 AM
To: USAILN-Victim.MK (USAILN)
Subject: Michael Kelly matter
Auto forwarded by a Rule

Victim & Witness Unit
United States Attorney's Office
219 South Dearborn Street, 5th Floor
Chicago, Illinois 60604

TO THE HONORABLE JUDGE GUZMAN,

I continue to watch with great interest what is happening in the Michael Kelly case. I have interest in several areas. I and my mother are leaseholders, and I have a few clients who also purchased universal leases. As time continues to elapse, it becomes more and more apparent that the leaseholders are being wiped out. The Special Master continues to charge exorbitant fees leaving less and less money for the leaseholders. The news on Puerto Cancun is disheartening. This has always been considered the largest asset that we all hoped would increase our recovery. I recall at one time, the value of a billion dollars was being thrown around, even by the government. I would ask, what happened? It seems like this whole process has been shrouded in mystery and hard to even follow what assets are being sold. Who is REALLY looking out for the leaseholder? There are so many things I am unhappy about in this case, but I will express my concerns about the latest transaction and others to follow:

- 1) As sales of properties are concluded, we have to be assured that the Buyer(s) have no connection in anyway to Michael Kelly, his family, or any remotely related business partner. I would hope that the buyer would have to sign some statement to this affect. It would be a tragedy for this property to be sold for pennies on the dollar and somehow end up back in the hands of the Kelly family.
- 2) We were always told the Peurto Cancun was owned jointly with the government of Mexico. Is that true? Were they ever contacted to purchase Mike Kelly's interest. I think they would have a high degree of interest to prevent American investors from being swindled
- 3) I see that money is being siphoned off to continue to develop the property. Who will gain from this? Will the leaseholders benefit from this, or is the Kelly family

benefiting from this? If the leaseholders will not benefit, why would any money from sales be used for this?

- 4) Why have we not heard a total \$ amount of claims of leaseholders? What is the total leaseholder claim against Kelly?
- 5) When will money sitting in the trust start to be disbursed to leaseholders?
- 6) For folks who have qualified money, will their disbursement be made to the custodian, Provident, or will it come directly to the client? Clients with qualified money continued to get hammered with the requirement to take RMD's from an asset that currently has no value and pay yearly custodial fees of \$180/year.
- 7) In summary, please make sure that Mike Kelly nor his family can ever have any interest of any sort in any of the properties being sold.

Thank you kindly,

Bruce Vangsnes

[REDACTED]

From: Billy Bartos ([REDACTED])
Sent: Wednesday, July 06, 2011 11:00 PM
To: USAILN-Victim.MK (USAILN)
Subject: Comments U S Attorneys Office

Dear Sir:

My name is Billy J Bartos [REDACTED]
I am a victim in the Michael E. Kelly case and have great interest in my restitutions by the Special Master
Thank u for the notifications by email Dept of Justice

[REDACTED]
My representative to this case on my behalf is Stenger and Stenger law Offices and they have my original questionair on file! Thank u

Respectfully submitted
Billy Bartos

[REDACTED]

From: John Shono [REDACTED]
Sent: Thursday, July 07, 2011 12:19 AM
To: USAILN-Victim.MK (USAILN)
Subject: Case #2005R00908, Doc. #06-CR-00964 Restitution

The status meeting email dated Jul. 6, 2011, stated that the Special Master has calculated the amount of loss to each investor. What is the calculated amount of loss in percentage to each investor?

[REDACTED]

From: [REDACTED]
Sent: Thursday, July 07, 2011 3:24 PM
To: USAILN-Victim.MK (USAILN)
Subject: [REDACTED]

i should also receive the interest i was promised and the rental i was also promised if possible because my husband has since passed away .

[REDACTED]

From: harleyshorty [REDACTED]
Sent: Thursday, July 07, 2011 3:36 PM
To: USAILN-Victim.MK (USAILN)
Subject: money

yes can we please get this show on the road as these people are not getting any younger!!!!!! we need our money now as social security will not pay the bills anymore!!!and we are not getting any cost of living!!! please get some at least partial payments to these people??? my GOD how long is this gonna take???? all of us are not the baby boomers whom have time on earth left we are the GRANDPARENTS!!!!!! THANKS AN GET THE BALL ROLLING AN MONEY MOVING!!!! SINCERELY, CHARLES THOMPSON!!!

[REDACTED]

From: Jan Schemmel [REDACTED]
Sent: Thursday, July 07, 2011 10:20 PM
To: USAILN-Victim.MK (USAILN)
Subject: My Comment

July 7, 2011

Re: Michael Kelly

To Whom It May Concern:

I'm hoping this case gets settled soon. Every year that goes by I have to pay Provident Trust Group an annual fee to take care of the records and paper work on the money I gave to and trusted Michael Kelly with and they don't even have the actual money. I don't know how much I will get back hopefully it will at least be an amount to cover what I've paid Provident Trust over the years. Please, get this settled and I hope justice will be served on Kelly, his family and anyone else that was involved.

I'm 67 years old, retired and just got laid off from my part-time job at a nursing home. I get \$710 from Social Security to live off each month and I'm hoping I can get most of my \$6,000 back which was a 401K from a company I worked at for 21 years. It will be nice when this gets settled so I won't have to worry about it anymore.

Thank you,

Janet Schemmel
[REDACTED]
[REDACTED]

Provident Trust Group
[REDACTED]

[REDACTED]

From: Shirley HilbertHalder [REDACTED]
Sent: Thursday, July 07, 2011 10:22 PM
To: USAILN-Victim.MK (USAILN)
Subject: Shirley Hilbert- Victim

RE: United States Attorney's Office
219 South Dearborn Street 5th Floor
Chicago, Illinois 60604

Michael Eugene Kelly Case:

Due to Michael Kelly's fraud scheme, it is very important for the Special Master to generate all funds for restitution AS QUICKLY AS POSSIBLE

to all victims that have losses. I am agreeable to the \$70 million increase in price for Puerto Cancun. The decrease in length of time to 90

days is also very agreeable. I hope that all funds are generated and ready to be dispersed. Hopefully, the Special Master will be finished. I

have waited for my principal and interest many years since I signed that Universal Lease in 2003 at Cancun, Mexico. I am 75 years old and

retired and need that money immensely because \$1600 a month is not enough to live on.

After Kelly is sentenced, please find all the salesmen who sold these Universal Leases and suspend their licenses forever, plus ADD charges.

Thank you for sending me emails and information about this case. It is greatly appreciated !!

Sincerely yours,

Shirley Hilbert
[REDACTED]
[REDACTED]

[REDACTED]

From: TOMMY RICKS [REDACTED]
Sent: Friday, July 08, 2011 12:14 AM
To: USAILN-Victim.MK (USAILN)
Subject: US V. DEFENTANT/Michael Eugene Kelly

WE ARE IN AGREEMENT WITH THE SALE OF ANY THING THIS MAN HAS, WE HAVE APPROX. \$45,000.00 THAT HE HAS TAKEN FROM US, WE WORKED VERY HARD FOR THIS MONEY IN OUR YOUNGER YEARS. GOD BLESS PEOPLE LIKE YOU ALL FOR THE THINGS YOU DO TO KEEP PEOPLE LIKE THIS MK FROM TAKING WORKING MEN AND WOMEN LIFE SAVING.

GOD BLESS YOU ALL
TOMMY AND SHIRLEY RICKS

[REDACTED]
[REDACTED]

[REDACTED]

From: Mary Williams [REDACTED]
Sent: Friday, July 08, 2011 12:17 PM
To: USAILN-Victim.MK (USAILN)
Subject: Micheal Kelly Court Proceedings-Victims Comments

Victim ID-[REDACTED]

Personal ID-[REDACTED]

Haskell & Mary L. Rasey (Rasey Victim)

I received an email last week concerning the sale of Puerto Cancun Real Estate by the Special Master appointed for the sale of the property by Judge Guzman. It said if any of the victims wanted to make a comment about the proceedings to do so by July 13, 2011. I haven't contacted the court before and am doing so now because I would like to find out if the property will be sold and funded before the end of this year, if so, how long will it take to disperse the monies to each of victims?

My wife and I invested our life savings and now are living on a fixed income, so this fraud committed by Micheal Kelly has literally ruined our retirement, which I'm sure has happened to many others in this case. It seems like this case is taking so much time with so many postponements of court dates, that people like my wife and I may never recover our loses due to our ages. We are in our 80's and we had hoped to see something done about this for so long and now fear that we will never see any of our money again. Is it reasonable to hope that by the year's end that any of the victims will start receiving checks from the Puerto Cancun Real Estate sale? We are wondering how much of the monies from that sale will be given to the victims and how much will be given to the Special Master and any other payments made to other individuals involved, other than the victims? Is there any certain percentage of each victims losses that will be rewarded to us? I'm sure many of the victims are wondering about the amount (percentages) of their investment will be recovered.

I would be very appreciative if you can answer any of my questions and give me some idea of the process involved in returning our investment.

Thank You,
Haskell & Mary L. Rasey

[REDACTED]

From: Nancy Rende [REDACTED]
Sent: Friday, July 08, 2011 7:02 PM
To: USAILN-Victim.MK (USAILN)
Subject: Michael E. Kelly

Case Number 2005R00908 and Court Docket Number 06-CR-00964

This case has been going on for such a long time now and I was wondering: if this sale is accepted, how long before I get my investment back?

It would be nice to get something soon, as I am not getting any younger and have lost so much already. It would be nice to be able to invest it, in something safe, and to be able to earn a little more than nothing, which it is doing right now. I have been depending on this money for my retirement years and need all I can get.

Thank you.
Nancy McGinn

[REDACTED]

From: Linda DeMonte [REDACTED]
Sent: Saturday, July 09, 2011 7:04 PM
To: USAILN-Victim.MK (USAILN)
Cc: me
Subject: Re: US Department of Justice Victim Notification System FRANCES KINGSLEY - Case Number 2005R00908 and Court Docket Number 06-CR-00964

Dear Department of Justice,

Thank you for keeping us informed. It appears as if we are finally at long last possibly getting to the point where there will be some financial restitution. My fear has been that whatever money is recovered is eaten up by legal fees and other drawn out things. We have already received a form as to how much is calculated to be returned to my mother. This represents about 1/3 of her overall loss, but she signed the paperwork in the hopes that we can get something back for her. She is in failing health, has medical bills and other bills related to her care that this money is needed for.

I hope that this can be moved forward quickly. Many of the victims of Michael Kelly, I presume, are elderly - at least that is the case with my mother. Please expedite this process. This has been a very difficult and health threatening experience on our family, and my mother is hoping she will still be alive to see something come back to her. Her family is in need of this money to assist with her care.

Will the forms we previously filled out be valid? PLEASE PLEASE KEEP THIS PROCESS MOVING FORWARD.

Thank you Judge Guzman, & Special Master - it is imperative that this move forward quickly.

Linda DeMonte (daughter of Frances Kingsley - Victim)

From: Celia Mendoza <fedemail@vns.usdoj.gov>
To: Linda DeMonte <lenaluna@sbcglobal.net>
Sent: Wed, July 6, 2011 2:14:03 PM
Subject: US Department of Justice Victim Notification System

DO NOT REPLY TO THIS EMAIL.

U.S. Department of Justice
United States Attorney's Office
Northern District of Illinois
219 S. Dearborn St.
5th Floor
Chicago, IL 60604
Phone: (312) 886-4196
Fax: (312) 469-6215

July 06, 2011

Mrs. Linda DeMonte

RE: United States v. Defendant(s) Michael Eugene Kelly
Case Number 2005R00908 and Court Docket Number 06-CR-00964

Dear Mrs. DeMonte:

The United States Department of Justice believes it is important to keep victims of federal crime informed of court

proceedings. You have been identified to receive notifications for Frances Kingsley. This notice provides information about the above-referenced criminal case.

The case involving defendant(s) Michael Eugene Kelly has been scheduled for a hearing on July 14, 2011, 02:00 PM at Courtroom 1219 (RAG), U.S. Courthouse, 219 South Dearborn St., Chicago, IL, 60604 before Judge Ronald Guzman.

On May 4, 2011, the United States Attorney's Office provided victim Universal Lease holders with a summary of the terms of the Special Master's proposed sale of the Puerto Cancun project for \$65 million. Puerto Cancun is a real estate development project in Cancun, Mexico and the most significant asset of defendant Michael E. Kelly. The primary purpose of the sale is to generate funds to be available for restitution to the victims of the charged fraud scheme. Interested person were directed to submit their comments by May 13, 2011.

On May 16, Judge Ronald Guzman authorized the Special Master to enter into the proposed agreement with the buyer, a Mexican entity. One of the provisions of the agreement and the court's order was that for a short period of time, the Special Master was permitted to entertain competing bids from other prospective buyers that would be better than the terms of the agreement with the buyer. Only one such bid was received by the Special Master. That bid was for approximately \$71 million, but one of the terms of this bid was that the prospective buyer could unilaterally refuse to go through with the sale for any reason.

The Special Master then received a revised offer from the original buyer with a number of improved terms including: (a) an increase in the purchase price from \$65 million to \$70 million and (b) a decrease in the length of the time that the buyer has to complete its diligence inspections from 120 days to 90 days.

On July 5, 2011, U.S. District Judge Ronald Guzman authorized the Special Master to proceed with an amended agreement with the original buyer on the revised terms SUBJECT TO INTERESTED PERSONS SUBMITTING COMMENTS AND FINAL APPROVAL BY THE COURT. Judge Guzman set a hearing on any comments and final approval of the sale of Puerto Cancun for THURSDAY, JULY 14, 2011 AT 2:00 PM. Interested persons may also appear at that time.

Comments should be submitted in writing no later than WEDNESDAY, JULY 13, 2011. Comments are to be addressed to:

Victim & Witness Unit

United States Attorney's Office

219 South Dearborn Street, 5th Floor

Chicago, Illinois 60604

Comments may also be submitted via email to: usain.victim.mk@usdoj.gov or by fax to 312-469-6215. The U.S. Attorney's Office will compile all comments and submit them to the parties and to the Court.

One of the next steps will be for the court to determine to the amount of loss that each victim incurred, as permitted as restitution under the applicable law, 18 U.S.C. §§ 3663A-3664. At this time, the Special Master has communicated with all Universal Leaseholders he could locate and requested information concerning the ir investment and loss. For those person who disagreed with the loss figure the Special Master calculated, the court will authorize a procedure to resolve the disagreement.

Because of the Court's schedule, hearing dates could change on very short notice. If you plan on attending, you may want to call the VNS Call Center or check the web site to confirm the date and time. Please note, there is a 24-hour delay in information transfer to the web site.

The Victim Notification System (VNS) is designed to provide you with information regarding the case as it proceeds through the criminal justice system. You may obtain current information about this case on the VNS Web site at <https://www.notify.usdoj.gov> or from the VNS Call Center at 1-866-DOJ-4YOU (1-866-365-4968) (TDD/TTY: 1-866-228-4619) (International: 1-502-213-2767). In addition, you may use the Call Center or Internet to update your contact information and/or change your decision about participation in the notification program. If you update your information to include a current email address, VNS will send information to that address. In order to continue to receive notifications, it is your responsibility to keep your contact information current.

You will use your Victim Identification Number (VIN) 1000000961 and Personal Identification Number (PIN) 3415 anytime you contact the Call Center and the first time you log on to the VNS web site. In addition, the first time you access the VNS Internet site, you will be prompted to enter your last name (or business name) as currently contained in VNS. The name you should enter is DeMonte.

Remember, VNS is an automated system and cannot answer questions. If you have other questions which involve this matter, please contact this office at the number listed above.

Sincerely,

FELICE D. WEILER
LECC/Victim Witness Coordinator

If you do not want to receive email notifications from the Victim Notification System (VNS) or wish to no longer participate in the Department of Justice victim notification program, please log into the VNS Web site at <https://www.notify.usdoj.gov>. To stop receiving email notifications or change your email address select My Information and either remove your email address or provide a new address and click the "update" button. If you no longer wish to receive notifications in your case or access the VNS Web site and toll free telephone service, select Stop Receiving Notifications and follow the instructions on the screen.

If you believe you have received this email in error, please contact the office listed at top of the email message.

Please note, if this is the first notification you have received from VNS you will need to wait 4-8 hours from receipt of this email before you can login to the VNS Internet site (<http://www.notify.usdoj.gov>). In addition, it will also be 4-8 hours before any documents which may have been uploaded to VNS as part of this notification will available under the "Documents/Links" section on the Web page.

[REDACTED]

From: Lynn Edikauskas [REDACTED]
Sent: Sunday, July 10, 2011 2:36 AM
To: USAILN-Victim.MK (USAILN)
Subject: Case #2005R00908
Attachments: Victims Notification Letter.wps

Please see the attached letter for Judge Ronald Guzman in regards to the Michael E Kelly case referenced above.

We certainly hope to receive some answers to our questions very soon.

If you have any questions regarding this correspondence, please do not hesitate to contact us via e-mail at [REDACTED] or [REDACTED]. We can also be reached via telephone at [REDACTED]

Respectfully,

Donald & Diane Munroe