



UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET

VIII(a). IDENTICAL CASES: Has this action been previously filed in this court and dismissed, remanded or closed?  No  Yes  
If yes, list case number(s): \_\_\_\_\_

VIII(b). RELATED CASES: Have any cases been previously filed in this court that are related to the present case?  No  Yes  
If yes, list case number(s): \_\_\_\_\_

Civil cases are deemed related if a previously filed case and the present case:

- (Check all boxes that apply)  A. Arise from the same or closely related transactions, happenings, or events; or  
 B. Call for determination of the same or substantially related or similar questions of law and fact; or  
 C. For other reasons would entail substantial duplication of labor if heard by different judges; or  
 D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

IX. VENUE: (When completing the following information, use an additional sheet if necessary.)

(a) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH named plaintiff resides.  
 Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Los Angeles; and Orange	Florida; Missouri; North Carolina; and Texas

(b) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH named defendant resides.  
 Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Los Angeles; and Orange	Illinois; and Washington D.C.

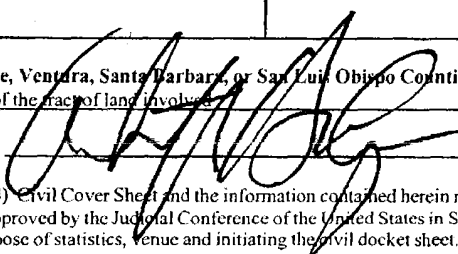
(c) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH claim arose.  
 Note: In land condemnation cases, use the location of the tract of land involved.

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Los Angeles; and Orange et. al.	All U.S. states

\* Los Angeles, Orange, San Bernardino, Riverside, Ventura, Santa Barbara, or San Luis Obispo Counties

Note: In land condemnation cases, use the location of the tract of land involved.

X. SIGNATURE OF ATTORNEY (OR PRO PER):

 Date 1/4/2010

Notice to Counsel/Parties: The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.)

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g))

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET

<p><b>I (a) PLAINTIFFS</b> (Check box if you are representing yourself <input type="checkbox"/>) David Anderson, Lt. Col.; Nelson L. Reynolds, Lt. Col.; Sheila Morris; Patrick Cluney; Robert Hollenegg; Allan Treffry; and Reece Hamilton</p>	<p><b>DEFENDANTS</b> Christopher Cox; Mary L. Schapiro; Cynthia A. Glassman; Paul S. Atkins; Roel C. Campos; Annette L. Nazareth; Troy A. Paredes; Luis A. Aguilar; Elisse B. Walter; Kathleen L. Casey; and DOES 1 through 10 inclusive</p>
<p><b>(b) Attorneys</b> (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.) A. Clifton Hodges, Esq. HODGES AND ASSOCIATES 4 East Holly Street, Suite 202, Pasadena, CA. 91103-3900 Tel.: (626) 564-9797</p>	<p>Attorneys (If Known)</p>

<p><b>II. BASIS OF JURISDICTION</b> (Place an X in one box only.)</p> <p><input type="checkbox"/> 1 U.S. Government Plaintiff     <input checked="" type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)</p> <p><input type="checkbox"/> 2 U.S. Government Defendant     <input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)</p>	<p><b>III. CITIZENSHIP OF PRINCIPAL PARTIES</b> - For Diversity Cases Only (Place an X in one box for plaintiff and one for defendant.)</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;"></td> <td style="width:10%; text-align: center;"><b>PTF</b></td> <td style="width:10%; text-align: center;"><b>DEF</b></td> <td style="width:40%;"></td> <td style="width:10%; text-align: center;"><b>PTF</b></td> <td style="width:10%; text-align: center;"><b>DEF</b></td> </tr> <tr> <td>Citizen of This State</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td>Incorporated or Principal Place of Business in this State</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business in Another State</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> </tr> </table>		<b>PTF</b>	<b>DEF</b>		<b>PTF</b>	<b>DEF</b>	Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
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Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6																				

**IV. ORIGIN** (Place an X in one box only.)

1 Original Proceeding      2 Removed from State Court      3 Remanded from Appellate Court      4 Reinstated or Reopened      5 Transferred from another district (specify):      6 Multi-District Litigation      7 Appeal to District Judge from Magistrate Judge

**V. REQUESTED IN COMPLAINT:** JURY DEMAND:  Yes      No (Check 'Yes' only if demanded in complaint.)

**CLASS ACTION under F.R.C.P. 23:**  Yes      No     **MONEY DEMANDED IN COMPLAINT:** \$ 3.87 trillion

**VI. CAUSE OF ACTION** (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)  
Bivens claim, 5th Amendment violation

**VII. NATURE OF SUIT** (Place an X in one box only.)

<p><b>OTHER STATUTES</b></p> <p><input type="checkbox"/> 400 State Reapportionment</p> <p><input type="checkbox"/> 410 Antitrust</p> <p><input type="checkbox"/> 430 Banks and Banking</p> <p><input type="checkbox"/> 450 Commerce/ICC Rates/etc.</p> <p><input type="checkbox"/> 460 Deportation</p> <p><input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations</p> <p><input type="checkbox"/> 480 Consumer Credit</p> <p><input type="checkbox"/> 490 Cable/Sat TV</p> <p><input type="checkbox"/> 810 Selective Service</p> <p><input type="checkbox"/> 850 Securities/Commodities/Exchange</p> <p><input type="checkbox"/> 875 Customer Challenge 12 USC 3410</p> <p><input type="checkbox"/> 890 Other Statutory Actions</p> <p><input type="checkbox"/> 891 Agricultural Act</p> <p><input type="checkbox"/> 892 Economic Stabilization Act</p> <p><input type="checkbox"/> 893 Environmental Matters</p> <p><input type="checkbox"/> 894 Energy Allocation Act</p> <p><input type="checkbox"/> 895 Freedom of Info. Act</p> <p><input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice</p> <p><input type="checkbox"/> 950 Constitutionality of State Statutes</p>	<p><b>CONTRACT</b></p> <p><input type="checkbox"/> 110 Insurance</p> <p><input type="checkbox"/> 120 Marine</p> <p><input type="checkbox"/> 130 Miller Act</p> <p><input type="checkbox"/> 140 Negotiable Instrument</p> <p><input type="checkbox"/> 150 Recovery of Overpayment &amp; Enforcement of Judgment</p> <p><input type="checkbox"/> 151 Medicare Act</p> <p><input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Veterans)</p> <p><input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits</p> <p><input type="checkbox"/> 160 Stockholders' Suits</p> <p><input type="checkbox"/> 190 Other Contract</p> <p><input type="checkbox"/> 195 Contract Product Liability</p> <p><input type="checkbox"/> 196 Franchise</p> <p><b>REAL PROPERTY</b></p> <p><input type="checkbox"/> 210 Land Condemnation</p> <p><input type="checkbox"/> 220 Foreclosure</p> <p><input type="checkbox"/> 230 Rent Lease &amp; Ejectment</p> <p><input type="checkbox"/> 240 Torts to Land</p> <p><input type="checkbox"/> 245 Tort Product Liability</p> <p><input type="checkbox"/> 290 All Other Real Property</p>	<p><b>TORTS</b></p> <p><b>PERSONAL INJURY</b></p> <p><input type="checkbox"/> 310 Airplane</p> <p><input type="checkbox"/> 315 Airplane Product Liability</p> <p><input type="checkbox"/> 320 Assault, Libel &amp; Slander</p> <p><input type="checkbox"/> 330 Fed. Employers' Liability</p> <p><input type="checkbox"/> 340 Marine</p> <p><input type="checkbox"/> 345 Marine Product Liability</p> <p><input type="checkbox"/> 350 Motor Vehicle</p> <p><input type="checkbox"/> 355 Motor Vehicle Product Liability</p> <p><input type="checkbox"/> 360 Other Personal Injury</p> <p><input type="checkbox"/> 362 Personal Injury-Med Malpractice</p> <p><input type="checkbox"/> 365 Personal Injury-Product Liability</p> <p><input type="checkbox"/> 368 Asbestos Personal Injury Product Liability</p> <p><b>IMMIGRATION</b></p> <p><input type="checkbox"/> 462 Naturalization Application</p> <p><input type="checkbox"/> 463 Habeas Corpus-Alien Detainee</p> <p><input type="checkbox"/> 465 Other Immigration Actions</p>	<p><b>TORTS</b></p> <p><b>PERSONAL PROPERTY</b></p> <p><input type="checkbox"/> 370 Other Fraud</p> <p><input type="checkbox"/> 371 Truth in Lending</p> <p><input type="checkbox"/> 380 Other Personal Property Damage</p> <p><input type="checkbox"/> 385 Property Damage Product Liability</p> <p><b>BANKRUPTCY</b></p> <p><input type="checkbox"/> 422 Appeal 28 USC 158</p> <p><input type="checkbox"/> 423 Withdrawal 28 USC 157</p> <p><b>CIVIL RIGHTS</b></p> <p><input type="checkbox"/> 441 Voting</p> <p><input type="checkbox"/> 442 Employment</p> <p><input type="checkbox"/> 443 Housing/Accommodations</p> <p><input type="checkbox"/> 444 Welfare</p> <p><input type="checkbox"/> 445 American with Disabilities - Employment</p> <p><input type="checkbox"/> 446 American with Disabilities - Other</p> <p><input checked="" type="checkbox"/> 440 Other Civil Rights</p>	<p><b>PRISONER PETITIONS</b></p> <p><input type="checkbox"/> 510 Motions to Vacate Sentence</p> <p><input type="checkbox"/> 530 Habeas Corpus</p> <p><input type="checkbox"/> 535 General</p> <p><input type="checkbox"/> 540 Death Penalty</p> <p><input type="checkbox"/> 540 Mandamus/Other</p> <p><input type="checkbox"/> 550 Civil Rights</p> <p><input type="checkbox"/> 555 Prison Condition</p> <p><b>FORFEITURE / PENALTIES</b></p> <p><input type="checkbox"/> 610 Agriculture</p> <p><input type="checkbox"/> 620 Other Food &amp; Drug</p> <p><input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881</p> <p><input type="checkbox"/> 630 Liquor Laws</p> <p><input type="checkbox"/> 640 R.R. &amp; Truck</p> <p><input type="checkbox"/> 650 Airline Regs</p> <p><input type="checkbox"/> 660 Occupational Safety/Health</p> <p><input type="checkbox"/> 690 Other</p>	<p><b>LABOR</b></p> <p><input type="checkbox"/> 710 Fair Labor Standards Act</p> <p><input type="checkbox"/> 720 Labor/Mgmt. Relations</p> <p><input type="checkbox"/> 730 Labor/Mgmt. Reporting &amp; Disclosure Act</p> <p><input type="checkbox"/> 740 Railway Labor Act</p> <p><input type="checkbox"/> 790 Other Labor Litigation</p> <p><input type="checkbox"/> 791 Empl. Ret. Inc. Security Act</p> <p><b>PROPERTY RIGHTS</b></p> <p><input type="checkbox"/> 820 Copyrights</p> <p><input type="checkbox"/> 830 Patent</p> <p><input type="checkbox"/> 840 Trademark</p> <p><b>SOCIAL SECURITY</b></p> <p><input type="checkbox"/> 861 HIA (1395ff)</p> <p><input type="checkbox"/> 862 Black Lung (923)</p> <p><input type="checkbox"/> 863 DIWC/DIWW (405(g))</p> <p><input type="checkbox"/> 864 SSID Title XVI</p> <p><input type="checkbox"/> 865 RSI (405(g))</p> <p><b>FEDERAL TAX SUITS</b></p> <p><input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant)</p> <p><input type="checkbox"/> 871 IRS-Third Party 26 USC 7609</p>
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**FOR OFFICE USE ONLY:** Case Number: CV10-00031

AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.



1 A. CLIFTON HODGES, State Bar No. 046803  
2 **HODGES AND ASSOCIATES**  
3 4 East Holly Street, Suite 202  
4 Pasadena, California 91103  
5 Telephone: (626) 564-9797  
6 Facsimile: (626) 564-9111

7 Attorneys for Plaintiffs

2010 JAN -9 PM 2:41

FILED

8 **UNITED STATES DISTRICT COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA**

10  
11 DAVID ANDERSON, LT. COL.;  
12 NELSON L. REYNOLDS, LT. COL.;  
13 SHEILA MORRIS; PATRICK  
14 CLUNEY; ROBERT HOLLENEGG;  
15 ALLAN TREFFRY; and REECE  
16 HAMILTON, Individually and on  
17 behalf of all similarly situated,

18 Plaintiffs,

19 vs.

20 CHRISTOPHER COX, an individual;  
21 MARY L. SCHAPIRO, an individual;  
22 CYNTHIA A. GLASSMAN, an  
23 individual; PAUL S. ATKINS, an  
24 individual; ROEL C. CAMPOS, an  
25 individual; ANNETTE L. NAZARETH,  
26 an individual; TROY A. PAREDES,  
27 an individual; LUIS A. AGUILAR, an  
28 individual; ELISSE B. WALTER, an  
individual; KATHLEEN L. CASEY,  
an individual; and DOES 1 through  
10, inclusive,

Defendants.

Case No.:

~~CV 10-00071-315/MLG~~

COMPLAINT FOR  
DECLARATORY JUDGMENT,  
AND FOR DAMAGES FOR  
VIOLATION OF CIVIL RIGHTS

(JURY TRIAL DEMANDED)

**COME NOW** Plaintiffs DAVID ANDERSON, LT. COL.; NELSON  
L. REYNOLDS, LT. COL.; SHEILA MORRIS; PATRICK CLUNEY;

1 ROBERT HOLLENEGG; ALLAN TREFFRY; and REECE HAMILTON,  
2 individually and on behalf of all others similarly situated, who, for  
3 causes of action herein allege:

4 **INTRODUCTION**

5 1. This action for declaratory judgment and for damages  
6 for violations of the Plaintiffs' civil rights under *Bivens v. Six*  
7 *Unknown Agents of the F.B.I.*, 403 U.S. 388 (1971), against  
8 Commissioners of the Securities and Exchange Commission, arises  
9 out of actions and failures to act occurring over the period from  
10 January 1, 2006 to date by Defendants CHRISTOPHER COX, an  
11 individual; MARY L. SCHAPIRO, an individual; CYNTHIA A.  
12 GLASSMAN, an individual; PAUL S. ATKINS, an individual; ROEL C.  
13 CAMPOS, an individual; ANNETTE L. NAZARETH, an individual;  
14 TROY A. PAREDES, an individual; LUIS A. AGUILAR, an individual;  
15 ELISSE B. WALTER, an individual; KATHLEEN L. CASEY, an  
16 individual; and other government agents whose names are not now  
17 known to the Plaintiffs.

18 2. These Defendants, acting in the course and scope of  
19 their employment by the United States of America as duly  
20 authorized Commissioners of the Securities and Exchange  
21 Commission, a federal agency, through their acts and omissions  
22 knowingly, consciously, wrongly, without compensation and  
23 without due process of law have effected a taking of property from  
24 each of the named Plaintiffs and all who are similarly situated.

25 **JURISDICTION AND VENUE**

26 3. This action for declaratory relief and damages is  
27 predicated on the provisions of the Constitution and Statutes of the  
28 United States, the legal and equitable jurisdiction of this Court, the

1 principles of common law, and this Court's concurrent and pendant  
2 jurisdiction.

3 4. This Court has jurisdiction over the Plaintiffs' claims  
4 under Article III of the United States Constitution and the Fifth  
5 Amendment thereto. This Court has jurisdiction over Plaintiffs'  
6 property rights under the foregoing citations and, in addition,  
7 pursuant to Title 28 U.S.C., Section 1331 and the case law  
8 precedent of *Bivens v. Six Unknown Agents of the F.B.I.*, 403 U.S.  
9 388 (1971).

10 5. Venue is proper in this Court under Title 28 U.S.C.,  
11 Section 1391(e)(1)/(2). Defendants are all past or current  
12 Commissioners of the Securities and Exchange Commission and  
13 therefore agents of the United States Government, and a  
14 substantial part of the property, and the acts related to such  
15 property subject to Plaintiffs' claims, occurred or was situated in  
16 this Central District of California at all times relevant.

17 **THE PARTIES**

18 6. Plaintiff DAVID ANDERSON, LT. COL., U.S. Air Force  
19 pilot, resides in the State of Missouri, owns more than 280,000,000  
20 shares of stock in CMKM Diamonds, Inc., and at all times relevant  
21 to the allegations set forth herein, was a citizen of the United  
22 States.

23 7. Plaintiff NELSON L. REYNOLDS, LT. COL., U.S. Air Force  
24 pilot, resides in the State of Texas, owns more than 15,000,000  
25 shares of stock in CMKM Diamonds, Inc., and at all times relevant  
26 to the allegations set forth herein, was a citizen of the United  
27 States.

28 //

1           8. Plaintiff SHEILA MORRIS, a company owner/CEO resides  
2 in the State of North Carolina, owns more than 400,000,000 shares  
3 of stock in CMKM Diamonds, Inc., and at all times relevant to the  
4 allegations set forth herein, was a citizen of the United States.

5           9. Plaintiff PATRICK CLUNEY, a retired professional athlete  
6 resides in the State of Florida, owns more than 680,000,000 shares  
7 of stock in CMKM Diamonds, Inc., and at all times relevant to the  
8 allegations set forth herein, was a citizen of the United States.

9           10. Plaintiff ROBERT HOLLENEGG resides in the State of  
10 North Carolina, owns more than 85,000,000 shares of stock in  
11 CMKM Diamonds, Inc., and at all times relevant to the allegations  
12 set forth herein, was a citizen of the United States.

13           11. Plaintiff ALLAN TREFFRY, a licensed State of California  
14 Attorney, resides in the County of Los Angeles, State of California,  
15 owns more than One Billion shares of stock in CMKM Diamonds,  
16 Inc., and at all times relevant to the allegations set forth herein,  
17 was a citizen of the United States.

18           12. Plaintiff REECE HAMILTON, a business owner/partner  
19 resides in the County of Los Angeles, State of California, owns  
20 more than One Billion shares of stock in CMKM Diamonds, Inc., and  
21 at all times relevant to the allegations set forth herein, was a  
22 citizen of the United States.

23           13. Defendants CHRISTOPHER COX, Chairman 2005-2009,  
24 MARY L. SCHAPIRO, Chairman 2009-2010, CYNTHIA A. GLASSMAN  
25 Commissioner 2002-2006, PAUL S. ATKINS, Commissioner 2002-  
26 2008, ROEL C. CAMPOS, Commissioner 2002-2007, ANNETTE L.  
27 NAZARETH, Commissioner 2005-2008, TROY A. PAREDES,  
28 Commissioner 2008-2010, LUIS A. AGUILAR Commissioner 2008-



1 2010, ELISSE B. WALTER Commissioner 2008-2010 and KATHLEEN  
2 L. CASEY, Commissioner 2008-2010 are and, at all referenced  
3 times mentioned herein were, acting as individuals and as  
4 Commissioners of the Securities and Exchange Commission, an  
5 agency of the UNITED STATES OF AMERICA, and acting within the  
6 course and scope of their employment. These Defendants are the  
7 real parties in interest in the claims set forth herein.

8 14. Other employees and servants of the Securities and  
9 Exchange Commission are also liable for damages under the causes  
10 of action set out in this Complaint. However, the names of these  
11 employees and servants are not now known to Plaintiffs, who  
12 thereby names them herein as DOES 1 through 10. When the  
13 names of these employees and servants become known, Plaintiffs  
14 reserve the right to amend this Complaint to add the names of  
15 these DOE Defendants.

16 **FACTUAL CONTENTIONS APPLICABLE TO ALL CAUSES OF**  
17 **ACTION**

18 15. In November and December, 2002, CYBER MARK  
19 INTERNATIONAL INC., a public company domiciled in Nevada,  
20 reverse-merged with Casavant Mineral Claims, which then held  
21 mineral claims to more than 600,000 acres within Saskatchewan,  
22 Canada, increased authorized capital from 500,000,000 to  
23 10,000,000,000 common shares, cancelled all preferred shares,  
24 and changed its name to CASAVANT MINING KIMBERLITE  
25 INTERNATIONAL, INC. (CMKI); as of February 3, 2003,  
26 7,241,653,404 shares were issued and outstanding.

27 16. During the succeeding months CMKI declared a 2 for 1  
28 stock split and filed with the Securities and Exchange Commission:

1 Form 15 exemption claim, July, 2003; Certificate of Amendment to  
2 Articles of Incorporation changing its name to CMKM DIAMONDS,  
3 INC. (CMKM), February 5, 2004; Certificate of Amendment to  
4 Articles of Incorporation raising its authorized capital to  
5 500,000,000,000 common shares @ \$0.001 par value, March 1,  
6 2004; Certificate of Amendment to Articles of Incorporation  
7 correcting the par value of common shares as of December 26,  
8 2002 to \$0.0001 par value, July 13, 2004; Certificate of  
9 Amendment to Articles of Incorporation raising its authorized  
10 capital to 800,000,000,000 common shares @ \$0.0001 par value,  
11 July 13, 2004.

12 17. During the summer and fall of 2004: New York Attorney  
13 Roger Glenn was retained by the company; the number of acres  
14 upon which CMKM held claims increased to over 1.2 Million acres;  
15 claims development activity was pursued by the company; and a  
16 shareholders appreciation party was planned to be celebrated in  
17 Las Vegas, Nevada to thank the shareholders, to give them an  
18 opportunity to meet company personnel, and to announce an  
19 agreed upon merger with another public company, U.S. CANADIAN  
20 MINERALS INC. On the eve of the party celebration, the Securities  
21 and Exchange Commission placed an order on CMKM preventing  
22 any public disclosure of anticipated mergers or other development  
23 information.

24 18. In early 2005, CMKM announced the addition of Robert  
25 A. Maheu to the Board of Directors who shortly thereafter became  
26 the co-chairman of the Board; CMKM announced a new "corporate  
27 strategy plan to dramatically and comprehensively transform" the  
28 company for generation of consistent, long-term growth and

1 profitability for the shareholders; CMKM filed an amended Form 15  
2 on February 17, 2005 reinstating the company to a public reporting  
3 status; and on March 3, 2005 was notified by the Securities and  
4 Exchange Commission of a temporary suspension of trading of the  
5 company's stock (Pink Sheets-CMKX) based upon, *inter alia*,  
6 concerns over the "adequacy" of publicly available information.

7 19. On March 16, 2005 the Securities and Exchange  
8 Commission instituted a public administrative proceeding pursuant  
9 to Section 12 (j) of the Securities Exchange Act of 1934 against  
10 CMKM to determine whether the company was required to file  
11 periodic reports under Section 12(g) and whether CMKM failed to  
12 comply with Section 13(a), and rules there-under, by failing to so  
13 file. CMKM responded on April 11, 2005 admitting that CMKM had  
14 a duty to file public reports and alleging various grounds of  
15 mistake, malpractice and other affirmative defenses to the factual  
16 allegations.

17 20. From March 17, 2005 through April 29, 2005 CMKM  
18 traded publicly in the US under the trading symbol "CMKX," a total  
19 of 551,756,751,833 shares, an average share volume of more than  
20 17 billion shares per day, reaching a maximum on April 21, 2005 of  
21 94,654,588,201 shares. These figures do not include foreign  
22 trades nor trades made on an ex-clearing basis such as those  
23 disclosed by Jefferies & Company , Inc. on May 6, 2005: between  
24 March 25, 2004 and September 21, 2004 Jefferies traded  
25 111,780,681,204 shares of CMKX stock on an ex-clearing basis.

26 21. On May 10, 2005 the Section 12 (j) administrative  
27 proceeding was conducted in a United States Central District of  
28 California courtroom; the Administrative Law Judge, Honorable

1 Brenda P. Murray entered her decision on July 12, 2005 finding the  
2 facts to be as alleged by the Securities and Exchange Commission.  
3 CMKM then filed a Petition for Review which was granted, and a  
4 briefing schedule set.

5 22. On October 20, 2005: Robert A. Maheu resigned as a  
6 member and co-chairman of the CMKM Board of Directors; Urban  
7 Casavant agreed to remain as the sole officer and Director of CMKM  
8 until the affairs of CMKM were wound up to ensure all shares and  
9 other assets of CMKM were properly distributed to its stockholders;  
10 CMKM entered into an agreement with Entourage Mining Ltd.  
11 pursuant to which CMKM assigned its 50% interest in United Carina  
12 Resources Corp. to Entourage for 15,000,000 shares of stock, sold  
13 its 36% interest in Nevada Minerals, Inc. claims to Entourage for  
14 5,000,000 shares of stock, and made a joint agreement with  
15 101047025 Saskatchewan Inc. and Entourage whereby certain  
16 claims were transferred and CMKM became entitled to receive  
17 30,000,000 shares of stock; CMKM's other agreements with United  
18 Carina Resources Corp. and Nevada Minerals Inc. were terminated.

19 23. On October 21, 2005 CMKM approved formation of a  
20 Task Force consisting of Robert A. Maheu, Donald J. Stoecklein and  
21 Bill Frizzell for the purpose of assisting CMKM and Mr. Maheu, as  
22 "designated Trustee, to conduct an orderly and verifiable pro rata  
23 liquidating distribution of any Entourage Mining Ltd. shares...and  
24 any other available assets of CMKM;" the SEC Petition for Review  
25 was withdrawn by CMKM on October 21, 2005 and a Securities and  
26 Exchange Commission Order de-registering CMKM subsequently  
27 was formally entered on October 28, 2005. CMKM had  
28 703,518,875,000 shares of common stock issued and outstanding

1 on that date.

2 24. On November 4, 2005 CMKM established a web site  
3 (CMKMTaskForce.com) for the purpose, *inter alia*, of advising all  
4 shareholders to request physical share certificates evidencing their  
5 ownership interest in CMKM as one means of establishing that they  
6 were bona fide shareholders of the company. The company  
7 intended at that time to wind up its affairs and distribute the 50  
8 million shares of Entourage Mining Ltd. stock and any other assets,  
9 including previously unpaid dividends, to the bona fide  
10 shareholders. The web site set forth procedures to be followed and  
11 established a means of registering all bona fide shareholder  
12 certificates prior to December 31, 2005; certificates evidencing  
13 43,309,298,585, shares had been registered at that time.

14 25. A frequently asked question (FAQ) page was added to  
15 the web site on the evening of November 4, 2005 and in response  
16 to a question about the degree of naked shorting of CMKM stock,  
17 the Task Force indicated that "Credible information indicates the  
18 number of naked short shares is potentially as high as 2 Trillion  
19 shares."

20 26. The Task Force issued a press release on January 19,  
21 2006 discussing a reduction in total shares of Entourage Mining  
22 Ltd. stock to be distributed to CMKM shareholders from 50 Million  
23 shares to 45 Million shares as a result of a reduction in mining  
24 claims involved. The Task Force also discussed issues involving  
25 difficulties obtaining physical share certificates being experienced  
26 by shareholders; accordingly the deadline date for registration of  
27 shares was extended to March 15, 2006. The Task Force was  
28 provided a new "cert list" by First Global Stock Transfer showing

1 certs issued "and active" on January 13, 2006; ADP Services also  
2 provided information to the Task Force. This data reflected a  
3 sample of 25,021 certificates representing 350,000,000,000 plus  
4 shares of stock and a total of more than 67,000 additional  
5 certificates to be counted.

6 27. On March 16, 2006 the Task Force issued a public  
7 release that "...we received a visit in our office [in Tyler, Texas] by  
8 an E-Trade rep today. This rep personally hand delivered copies of  
9 approximately 4000" certificates. Further information regarding  
10 on-going discussions with the DTCC and other brokerage houses  
11 was also provided.

12 28. The Task Force provided additional information on March  
13 20, 2006, extending the time for registration of certificates to May  
14 15, 2006, advising the shareholders that Urban Casavant and his  
15 immediate family would not participate in the share distribution,  
16 and advising that a printed notice to stock holders would be  
17 published in at least one nationally circulated United States  
18 newspaper.

19 29. On May 25, 2006 the Task Force received a second  
20 batch of 1,200 share certificates from AmeriTrade, having received  
21 some 1,000 share certificates a week earlier. AmeriTrade's cover  
22 letter indicated that several hundred more certificates would be  
23 delivered within "the next few days." The deadline for registering  
24 certificates of May 15, 2006 had not been extended, although the  
25 Task Force continued to advise shareholders that they should  
26 obtain their certificates and that the Task Force would honor any  
27 bona fide shareholder at the time of asset distribution. By late Fall,  
28 2006, the Task Force had received and counted copies of

1 certificates from more than 39,000 shareholders, evidencing more  
2 than 635 Billion shares.

3 30. Kevin West was hired pursuant to a written agreement  
4 by CMKM during the summer of 2006 to assist in winding up the  
5 affairs of the company and, more specifically, coordinating the  
6 share certificate pull. After serving nearly a year as Interim CEO,  
7 Kevin West was appointed Chairman of the Board on March 29,  
8 2007 after which Urban Casavant stepped down as sole director,  
9 president, secretary and treasurer of CMKM Diamonds, Inc. Mr.  
10 West soon thereafter appointed Bill Frizzell as CMKM General  
11 Counsel and provided instructions for the filing of a number of  
12 lawsuits to attempt to recover moneys and other assets which had  
13 been wrongfully taken from the company.

14 31. During the period of June 1, 2004 through October 28,  
15 2005 a total of 2.25 Trillion "phantom" shares of CMKM Diamonds  
16 Inc, was sold into the public market through legitimate brokers,  
17 illegitimate brokers and dealers, market makers, hedge funds, ex-  
18 clearing transactions and private transactions. The sales of the  
19 majority of such shares were at all times known to the Securities  
20 and Exchange Commission, including Defendants herein.

21 32. At some date prior to June 1, 2004 the Securities and  
22 Exchange Commission in concert with the Department of Justice of  
23 the United States, together combined with Robert A. Maheu and  
24 others to utilize CMKM Diamonds, Inc. for the purpose of trapping a  
25 number of widely disbursed entities and persons who were believed  
26 to be engaged in naked short selling of CMKM Diamonds Inc. stock  
27 and cellar boxing the company. The Securities and Exchange  
28 Commission and the Department of Justice, with assistance from

1 the Department of Homeland Security, believed and developed  
2 evidence that said short sellers were utilizing their activities to  
3 illegally launder moneys, wrongfully export moneys, avoid payment  
4 of taxes, and to support foreign terrorist operations. To fulfill the  
5 plan to criminally trap such wrongdoers, the Securities and  
6 Exchange Commission, with assistance from the Departments of  
7 Justice and Homeland Security:

- 8 a) Assisted in and approved the retention of Roger Glenn, an  
9 ex-SEC trial attorney and drafter of Sarbanes-Oxley, to  
10 join CMKM Diamonds Inc. for the purpose of verifying  
11 claims value, increasing authorized shares of stock to  
12 800,000,000,000, and supervising from the inside of the  
13 company;
- 14 b) Encouraged the company to expand its promotional  
15 activities, assisted in the set up of the "racing activities" of  
16 the company, and underwrote a substantial portion of the  
17 cost of such activities;
- 18 c) Consented to, facilitated, and supported the sale of certain  
19 company claims to several foreign corporations;
- 20 d) Consented to, facilitated, and supported the conferences  
21 between Robert A. Maheu and his associates on the one  
22 hand, and the wrongdoing short sellers on the other, all  
23 for the purpose of settling the potential liability of said  
24 wrongdoers with consent of the U. S. Government and a  
25 representation of no criminal prosecution for such illegal  
26 sales;

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e) Consented to, facilitated, and supported the declaration of dividends payable by the company to each common shareholder of CMKM Diamonds, Inc.

f) Consented to, facilitated, and supported the distribution of shares of CIM, a private company owned by Urban Casavant, as a stock dividend, including consent and approval of distribution of said shares to holders of more than 1.4 Trillion shares of CMKM Diamonds, Inc. common stock.

33. During the period from November, 2004 through April, 2005, CMKM Diamonds, Inc. negotiated the sale of some of its Saskatchewan, Canada mineral claims to three Chinese domiciled corporations with the advice and consent, *inter alia*, of the Securities and Exchange Commission. Proceeds from the consummation of such sales were placed into a frozen trust for disbursal at a later time.

34. During the period from March, 2004 through August, 2006, on behalf of CMKM Diamonds, Inc. Robert A. Maheu, with assistance from others, negotiated a settlement with the illegitimate brokers, dealers, market makers, hedge funds, and other persons and entities that had engaged in naked short selling of CMKM Diamonds Inc. stock and cellar boxing the company. In exchange for a U. S. Government promise of no prosecution for such sales, the wrongdoers each promised to pay negotiated amounts to a frozen trust for disbursal at a later time.

35. Plaintiffs herein are informed and believe, and based thereon allege, that other moneys have been collected for the benefit of the shareholders of CMKM Diamonds, Inc. from the

1 Depository Trust & Clearing Corporation, from the United States  
2 Government, and from the sale of additional assets including  
3 consent to enter into joint venture agreements with other  
4 companies holding mineral claims in Saskatchewan, Canada.  
5 Plaintiffs herein are further informed and believe, and based  
6 thereon allege, that said moneys, collected for the benefit of  
7 shareholders have also been placed in a trust or are otherwise now  
8 held in trust by the Depository Trust & Clearing Corporation and  
9 the United States Treasury.

10 36. Plaintiffs herein are informed and believe, and based  
11 thereon allege, that at all times mentioned, the Securities and  
12 Exchange Commission reserved unto itself the sole and absolute  
13 discretion to determine when moneys collected pursuant to the  
14 scheme set forth above would and could be released for  
15 distribution.

16 37. Demand for release of said moneys has been repeatedly  
17 presented to the Securities and Exchange Commission without  
18 result. Agents and employees of the Securities and Exchange  
19 Commission and the Department of Justice have represented  
20 repeatedly that the release of moneys for distribution was  
21 imminent, and/or would occur within several weeks, and/or would  
22 occur within less than a month. Each of said representations have  
23 been made knowing them to be false, and at the specific direction  
24 of the named Defendants. These actions of withholding distribution  
25 of said moneys, without compensation and without due process of  
26 law, amount to a taking of the property of the individual Plaintiffs  
27 and of all similarly situated.

28 //

1 38. At all times mentioned herein, the Defendants acted  
2 with deliberate indifference or reckless disregard for the  
3 Constitutional and other rights of all Plaintiffs, or with the intention  
4 and knowledge that they were violating Plaintiffs' Constitutional or  
5 other rights or to cause them other injuries, losses and damage.

6 39. As a result of the Defendants' misconduct, each of the  
7 named Plaintiffs and all of those similarly situated, have been  
8 denied their Constitutional rights, including, but not limited to, their  
9 Fifth Amendment right to be secure in their property, free from  
10 taking without just compensation and without due process of law,  
11 and have suffered injuries and property loss in excess of Three  
12 Trillion Dollars.

13 **CLASS ACTION ALLEGATIONS**

14 40. Plaintiffs bring this action individually, and on behalf of  
15 all others similarly situated, and in the public interest.

16 41. Plaintiffs bring this action on behalf of a class of persons  
17 who were and are bona fide shareholders in CMKM Diamonds, Inc.,  
18 a public company directly supervised by the Securities and  
19 Exchange Commission.

20 42. Plaintiffs are members of said class, have a claim typical  
21 of the claims of all members of said class, and will fairly and  
22 adequately represent the interests of the members of said class.

23 43. The members of said class are so numerous that joinder  
24 of all members is impracticable.

25 44. All of the class members are wholly identifiable from  
26 documents known to be in the possession of Defendants and of the  
27 Securities and Exchange Commission.

28 //

1           45. The claims of the members of said class present  
2 common issues of fact and law which predominate over any  
3 questions affecting only individual members of the class.

4           46. The defenses available to defendants to the claims of  
5 the members of the class present common issues of fact and law  
6 which predominate over any questions affecting only individual  
7 members of the class.

8           47. The prosecution of separate actions by the individual  
9 members of the class would create a risk of inconsistent or varying  
10 adjudications which would establish incompatible standards of  
11 conduct for defendants.

12           48. Adjudications with respect to individual members of said  
13 class would, as a practical matter be dispositive of the interest of  
14 other members not parties to the individual adjudications or would  
15 substantially impair or impede the right and/or ability to protect  
16 their interest.

17           49. Defendants have acted or refused to act on grounds  
18 generally applicable to said class thereby making appropriate final  
19 injunctive relief with respect to the class as a whole.

20           50. Unless ordered by this court, Defendants will continue  
21 their illegal and wrongful conduct, and repeated actions by  
22 individual class members will be required to obtain relief; and  
23 thereby the remedies available at law are inadequate.

24           51. For all of the above reasons, a class action is superior to  
25 other available methods for the fair and efficient adjudication of the  
26 claims alleged herein.

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**FIRST CAUSE OF ACTION**  
**(FOR DECLARATORY RELIEF AGAINST ALL DEFENDANTS)**

52. Plaintiffs incorporate as though fully set forth herein, all of the allegations contained in Paragraphs 1 through 39 above.

53. Plaintiffs allege that an actual controversy exists in this jurisdiction, in that it is the Plaintiffs' contention that:

a) The Defendants are, or in the past were, Commissioners of the SECURITIES AND EXCHANGE COMMISSION, an agency of the UNITED STATES OF AMERICA. At all relevant times herein, said Defendants were acting as individuals and in their official capacity as agents of the SECURITIES AND EXCHANGE COMMISSION.

b) On and after January 1, 2006, the Defendants, acting alone and acting in concert with each other, and acting without just cause, did consciously, knowingly, intentionally and wrongfully cause certain acts and omissions to proceed in such manner as to hinder, delay, and ultimately prevent the distribution of moneys held for the benefit of Plaintiffs, and all similarly situated, said moneys being payable to each said person on a per share basis.

c) The Defendants, and each of them, acted in their individual and their official capacities with deliberate or reckless disregard for the Constitutional and other rights of Plaintiffs and all similarly situated or with malicious intent and with the knowledge that their acts and omissions violated and denied the Constitutional and other rights of Plaintiffs and all similarly situated, or that their acts would cause said Plaintiffs and all similarly situated other injuries.

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d) The Defendants, and each of them, did unlawfully and wrongfully cause certain acts and omissions to proceed in such manner as to hinder, delay, and ultimately prevent the distribution of moneys held for the benefit of Plaintiffs and all similarly situated, even though the Defendants knew that said persons had a vested interest and Constitutional right to receive said moneys in a timely, unfettered and unconstrained manner.

e) The Defendants, and each of them, knew that Plaintiffs and all similarly situated had a vested interest and Constitutional right to receive said moneys in a timely, unfettered and unconstrained manner when they committed the acts and omissions set forth above, causing each said person to be deprived of property without just compensation and without due process of law.

54. The Defendants, and each of them, contend to the contrary. Therefore, it is necessary and proper for this Court at this time to determine and declare the validity of the contentions of the parties as set forth above.

**SECOND CAUSE OF ACTION**

**(FOR VIOLATION OF THE PLAINTIFFS' CONSTITUTIONAL RIGHTS AGAINST DEFENDANTS COX, SHAPIRO, GLASSMAN, ATKINS, CAMPOS, NAZARETH, PAREDES, AGUILAR, WALTER, and CASEY)**

55. Plaintiffs incorporate as though fully set forth herein all of the allegations contained in Paragraphs 1 through 51, above.

56. Defendants, by committing the above-mentioned acts and omissions, violated and denied the Plaintiffs' Constitutional

1 rights, and those of all similarly situated, including, but not limited  
2 to, their Fifth Amendment right to be secure in their property, free  
3 from taking without just compensation and without due process of  
4 law.

5 57. Defendants, and each of them, acted and failed to act  
6 with the intent to deny the Constitutional rights of Plaintiffs and of  
7 all those similarly situated, or with the intentional or callous  
8 disregard or deliberate indifference to those rights. The above  
9 described acts of the Defendants, all charged with securities law  
10 enforcement as Commissioners of the Securities and Exchange  
11 Commission, in violation of the Constitutional rights of Plaintiffs and  
12 of all those similarly situated, were not intended to be exempt from  
13 liability.

14 58. As a result of the Defendants' acts, Plaintiffs and all  
15 those similarly situated have suffered injuries and property loss in  
16 excess of 3.87 Trillion Dollars in an exact amount to be determined  
17 at the time of Trial. Because Defendants' actions were intentional  
18 or done with callous disregard or deliberate indifference to the  
19 Constitutional and other rights of all Plaintiffs, this Court should  
20 award punitive damages against each individually named  
21 Defendant.

22  
23 **WHEREFORE**, Plaintiffs seek judgment as follows:

- 24 1. For a declaratory judgment, pursuant to Title 28 U.S.C.,  
25 Sections 2201 and 2202, which determines and declares  
26 the validity of the contentions of the parties set forth in  
27 Paragraphs 52 to 54, above;

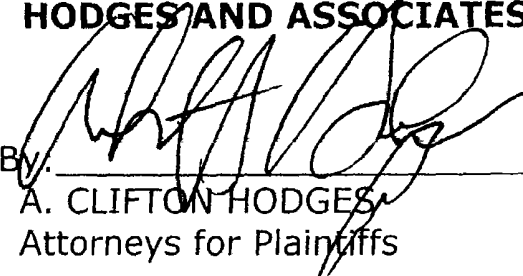
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- 2. For a judgment for compensatory, general and special damages in the amounts prayed for in the Second Cause of action set forth above;
- 3. For a judgment for punitive damages in an amount sufficient to punish and to make examples of these Defendants, and to deter these Defendants and others from engaging in similar conduct;
- 4. For an award of reasonable attorney's fees, expenses and costs of suit incurred herein; and
- 5. For such other and further relief as this Court deems just and proper.

Dated: January 4, 2010.

**HODGES AND ASSOCIATES**

By:   
 A. CLIFTON HODGES  
 Attorneys for Plaintiffs

DEMAND FOR JURY TRIAL



## Hodges and Associates INTERIM UPDATE

I have previously stated that I would not provide an "update" until we had confirmation of economic receipt or, I became convinced that payment to CMKX shareholders would not be forthcoming in a timely manner. This "Interim Update" is the exception that proves the rule, so to speak. However, it has been a relatively long period [certainly more than I originally anticipated] since I communicated with the shareholders at large, and there is material information to impart.

Before providing some information about what has been transpiring and our current status, let me address a few other matters:

- I am an attorney and have been retained by seven brave and exceptional shareholders that represent a cross section of the proposed class.
- The Bivens action which I have filed not only sets forth the facts as I know them, it seeks to become a class-action on behalf of all shareholders.
- At this instant in time however, I literally represent only the seven named plaintiffs; as a result, I am constrained in the types and extent of information which I can provide to putative members of the class.
- In the unlikely event that this litigation continues forward, a motion will be filed with the Court requesting that a class be certified. If granted, at that point I will, presumably, be appointed by the Court to continue acting as counsel for the class; thereafter, the Court will be required to approve any and all settlements, and others matters.
- The status of the litigation can at all times be monitored on PACER; as a result, we do not respond to inquiries at my office; accordingly, please do not contact us directly for such information.
- For everyone's information, all defendant's have been served, and an initial scheduling conference, originally set by the Court to be held on April 26, 2010 has been continued by mutual agreement of the parties [with consent of the Court] to July 26, 2010.
- The litigation will be aggressively pursued until such time as all CMKX shareholders have been paid.

In a similar vein, please understand that we are not involved in any ongoing negotiations with the SEC and/or their representatives with a view to compromising and/or otherwise attempting to resolve claims of the shareholders. We have set forth in the complaint what the shareholders

are entitled to receive; compromise is not anything that the shareholders want, desire, or would tolerate or accept.

The belief of some that yelling and screaming, loudly and publicly enough, can somehow “force” release of the CMKX moneys, is erroneous and misplaced; it will not. Having said that, I do believe that media exposure is beneficial in the sense that it keeps the pressure on the entire financial community.

Inquiring minds want to know: what is our status; what has been going on; what is holding up economic receipt; when will our money be released; and how much money is there? Let me address each of these questions, to the extent I am able, separately:

1. How Much Money – As I have said before, we have persuasive evidence to all of the facts alleged as such in the complaint; accordingly, there is a total of 3.87 Trillion Dollars.
2. When is Release – The CMKX distribution funds will be released within a very short time after there is confirmation of Economic Receipt. What does that mean? It means that currently in process is a massive shift of wealth within the US and the world community; that includes: pay out of all the domestic settlements; institution of the US dollar re-funding project; pay out of world settlements; and, distribution of funds to many other programs. This involves a total of more than \$ 42 Trillion. Economic Receipt occurs when all trustees have access to all of the funds they are responsible for.
3. Our Status – We are literally on the thresh-hold. This means that the “work” remaining to be finished will not consume more hours than can be accomplished within one day. We have been at this point now for more than a few weeks.
4. The Delay – Although I could write a book about what’s been going on behind the scenes to cause this additional delay, I’ll try to give you the condensed version:

First - Please be aware and understand that there is an economic war raging in the background.

Second - The naked corruption that is endemic in D.C. is more than most can comprehend; it is clear that these miscreants have no regard for the US Constitution, Federal Laws and Regulations, nor even any sense of simple morality. They are convinced that they are above any constraint that might apply to lesser mortals and that no enforcement activity will ever successfully address them. I hasten to add that such opinions are not universal; having said that, it is more widespread than not.

Third - These miscreants are, in effect, fighting for their lives – at least that part of their lives that establishes an environment in which they can continue to lie, cheat, steal, and mortgage

your progeny's lives, all for their personal gain. Accordingly, they will fight until the doors are all closed by a power that they cannot subvert. That fight continues as I prepare this interim update.

Fourth - The good news is, we are winning the battle. The circle within which these bad apples can operate draws inexorably smaller with each attempt to bribe, suborn and otherwise corrupt the system, and the people within it. By way of example, I was advised that over the weekend one State Department person, 10 bankers and 18 Federal Reserve people were arrested and dealt with.

Fifth – By what date will we have Economic Receipt, you ask. We will have it when this initial battle phase comes to a successful conclusion. That will be in the very near future in my opinion; the current schedule based on advice I received this afternoon is that it should all be finished, with funds in the Trustee's hands, by week's end.

I want to extend our heartfelt thanks to those of you who continue to demonstrate support and encouragement for our efforts. We remain very optimistic for the long term. Rest assured that the fight will continue, and we will prevail.

Al Hodges

Exhibit #4

May 14, 2010

MOST URGENT VIA FACSIMILE ONLY

Honorable Barack Obama  
President of the United States of America  
Whitehouse  
Washington, D.C.

Dear Mr. President:

I write to you this morning because people within your current administration continue to frustrate dissemination of the World Global Settlements; I am advised today that Mr. Leon Panetta participated in this act on May 14, 2010. I represent some 50,000 shareholders who are to be paid a settlement which consists mainly of monies collected from banks, brokerages, hedge fund corps, market makers, the Depository Trust Corporation/Federal Reserve, and various billionaire "naked-shorter" individuals, as well as some monies due from the SEC for damages. These various monies collected have been held far longer than they should have been, and were swept into the World Global Settlements, thereby delaying payment even further. Taxes were paid into the U.S. Treasury due on these "Settlements" on December 30th and 31st; distribution of these settlement funds could not legally be withheld past midnight of February 14th, 2010.

The continued holding of these settlement funds results in the violation of more laws such as "banking fraud," "trust fund violations," and, in times of war, "International Financial Terrorism." These charges are not at the discretion of the government to overlook in the name of withholding monies that are not its property, nor its right to hold – especially given that now the Treasury is in "DEFAULT" and owned in large part by the Chinese government.

I am aware you have issued an "Executive Order" giving the diplomatic parties of Interpol, the Chinese, the Swiss, and the U.K. (MI6), the means to enforce, with all due power, dissemination of the "Settlements." They clearly are relying on your power to assist this effort and to stop cabinet members of your staff and CIA factions from blocking the Global World Settlements. They are relying on you to exhibit your inherent Presidential character such as integrity and respect for the law, and to recognize the gravity of delaying such an important event intended to rescue not only the immediate US banking community, but to support a recalibration and refitting of various currencies and economies on a world scale necessary to abate the global collapse of economies everywhere.

We are all well aware of the "derivatives," the Ponzi schemes of the Federal Reserve creating debt out of thin air, the real estate debacle of SIV's and CDO's, the "Naked Shorting" in the stock market, and the market's overall vast manipulation for the profit of the few. The global economy needs these "Settlements" to initiate recovery, and to switch to the new asset-backed US Treasury dollars.

Mr. President, the people elected you for reasons of your promises, your apparent integrity, your conviction to help the American people uphold justice, and to return this Nation to its pre-eminent world status. Please use your good offices to ensure these "Settlements" are disseminated without further delay.

Sincerely,

HODGES AND ASSOCIATES

A. CLIFTON HODGES

ACH/gm

Cc: Lindell H. Bonney, Sr.  
Clients

*EXHIBIT #3*

May 19, 2010

MOST URGENT

VIA FACSIMILE ONLY (202) 456-2461

Honorable Barack Obama  
President of the United States of America  
Whitehouse  
Washington, D.C.

Dear Mr. President:

I write to you again this morning because your immediate assistance is required to ensure prompt dissemination of the World Global Settlements.

As I have previously stated, I represent some 50,000 shareholders who are to be paid a settlement which consists mainly of monies collected from banks, brokerages, hedge fund corps, market makers, the Depository Trust Corporation/Federal Reserve, and various billionaire "naked-shorter" individuals, as well as some monies due from the SEC for damages.

These various monies collected have been swept into the World Global Settlements, resulting in a substantial payment delay.

I am currently advised and understand the following:

A portion of the World Global Settlement funds have been collected and are presently held in the custody of a Richmond, VA bank.

Said funds are sufficient to cover all disbursements to be made by the authority of one Lindell H. (Bill) Bonney, Sr., the Paymaster.

Mr. Bonney has spent more than eight weeks over the past three months, in Richmond, for the purpose of consummating these transfers.

Mr. Bonney has, at the direction of the Pentagon, London, et. al., recently returned to Richmond to consummate the transfers and is standing by to do so.

Mr. Bonney has been, most recently, directed to complete his monetary transfer duties by the conclusion of this date; again, he is standing by to do so.

Mr. Bonney was advised this morning, by the referenced bank, that the bank could not allow the transfers to be made until authority was received directly from the White House.

I am advised that you have previously given written approval of these transfers; accordingly, I am not aware of any further basis for delay.

Honorable Barack Obama  
President of the United States of America  
May 19, 2010  
Page Two

I am persuaded by the above facts, that only your direct intervention will be efficacious in bringing this matter to conclusion. Mr. President, please provide your authority and direction to those who continue to frustrate completion of these World Global Settlements

Mr. President, the people elected you for reasons of your promises, your apparent integrity, your conviction to help the American people uphold justice, and to return this Nation to its pre-eminent world status. Please use your good offices to ensure these "Settlements" are disseminated without further delay.

Sincerely,

HODGES AND ASSOCIATES

[Signed] A. CLIFTON HODGES  
ACH/gm

Cc: Lindell H. Bonney, Sr.  
Clients  
Bcc: Michael Cottrell

**EXHIBIT #6**

May 20, 2010

MOST URGENT VIA FACSIMILE ONLY

Honorable Barack Obama  
President of the United States of America  
Whitehouse  
Washington, D.C.

Dear Mr. President:

I write to you again this morning because your immediate personal assistance is required to ensure prompt dissemination of the World Global Settlements. As I have previously stated, I represent some 50,000 shareholders who are to be paid a settlement which consists mainly of monies collected from banks, brokerages, hedge fund corps, market makers, the Depository Trust Corporation/Federal Reserve, and various billionaire "naked-shorter" individuals, as well as some monies due from the SEC for damages. I have also been involved in the representation of other payees awaiting this distribution and have, in such capacity, been in direct communication with the UK Royal Monarch.

I am currently advised and understand the following:

- A portion of the World Global Settlement funds have been collected and are presently held in the custody of the Bank of America in Richmond, VA.
- Said funds are sufficient to cover all disbursements to be made by the authority of the Paymaster who has now spent more than eight weeks over the past three months, in Richmond, for the purpose of concluding these transfers.
- The Paymaster authority has, at the direction of the Pentagon, London, et. al., recently returned to Richmond to consummate the transfers; he was advised yesterday morning at Bank of America that the bank could not allow the transfers to be made until one additional signature was obtained.
- Accordingly, on May 19, 2010 an agent of Interpol began a hand-carry trip through Little Rock, Arkansas, to Charleston, South Carolina, and then on to Richmond, Virginia; the hand carried item was presented to the Bank of America officer this morning.
- The Bank of America officer then advised the Paymaster authority that Mr. Leon Panetta had instructed Bank of America that no World Global Settlement funds were to be disbursed without express personal approval from the President of the United States.
- I have previously been advised that you had given specific written authorization of these transfers when you visited the Richmond Bank of America several weeks ago.

As I advised yesterday in my communication to you, I am persuaded by these facts, that only your direct intervention will be efficacious in bringing this matter to conclusion. Mr. President, please provide, once again, your specific written authority and direction to those who continue to frustrate completion of these World Global Settlements. I would very much appreciate your written confirmation that you will do so without delay; accordingly, I will withhold further communication to the UK Royal Monarch and distribution of this correspondence to my clients until 4:30 PM EDT today.

Mr. President, the people elected you for reasons of your promises, your apparent integrity, your conviction to help the American people uphold justice, and to return this Nation to its pre-eminent world status. I implore you to use your good offices to ensure these "Settlements" are disseminated without further delay.

Sincerely,

HODGES AND ASSOCIATES

A. CLIFTON HODGES

ACH/gm

Cc: Her Majesty, Queen Elizabeth II  
Lindell H. Bonney, Sr.  
Clients



*Exhibit #7*

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A PROFESSIONAL LAW CORPORATION  
4 East Holly Street  
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CA 91103  
Tel: (626) 564-9797  
Fax: (626) 564-9111

A. Clifton Hodges  
James S. Kostas  
Donald W. Ricketts, Of Counsel

May 27, 2010  
Via Facsimile Only: (202) 456 2461

Honorable Barack Obama  
President of the United States of America  
White House  
Washington, DC

In re: World Global Settlements

Dear Mr President

I write to you again this afternoon in furtherance of my previous recent correspondence regarding prompt dissemination of the World Global Settlements.

As I have previously stated, I represent some 50,000 shareholders who are to be paid a settlement which consist mainly of monies collected from banks, brokerages, hedge fund corporations, market makers, the Depository Trust Corporation/Federal Reserve, and various billionaire 'naked-shorter' individuals, as well as some monies due from the SEC for damages. I have also been involved in the representation of other payees awaiting this distribution and have, in such capacity, been in direct communication with the UK Royal Monarch.

I am currently advised and understand the following:

- A portion of the World Global Settlement funds have been collected and are presently held in the custody of the Bank of America in Richmond, VA.
- Said funds are sufficient to cover all disbursements to be made by the authority of the Paymaster who has now spent more than eight weeks over the past three

months, in Richmond, for the purpose of concluding these transfers.

- The Paymaster authority has, at the direction of the Pentagon, London, et al., been present in the Bank in Richmond every day this week to complete the transfers.

- This morning he was advised by "both sides" that each desired this matter to be concluded as soon as possible and that he should be available to enter the bank to consummate the transfers.

- AS OF 6:00 P, EDT, THE PAYMASTER AUTHORITY PERSONALLY ADVISED ME THAT YOU PERSONALLY, MR PRESIDENT, WANTED AND HAD DIRECTED THAT THESE FUNDS BE HELD THROUGHOUT THE COMING HOLIDAY WEEKEND.

- I have previously been advised that you had given specific written authorization of these transfers and confirmed the same verbally just this week.

Mr President, I sincerely hope that my information is incorrect; because, as I am certain you are aware, your personal involvement in delaying this distribution is an ultra vires action which exposes you to personal liability for the sums involved and for accruing interest thereon. I would certainly not want to see you personally involved in the future dénouement of this matter.

As I have previously advised in my communications to you, only your direct intervention will be efficacious in bringing this matter to conclusion.

Mr President, I implore you to facilitate conclusion of this matter forthwith. There is simply no legal basis for any further delay. Please act consonantly with your previous statements and promises.

I would very much appreciate your written confirmation that you will do so immediately; accordingly, I will withhold public distribution of this correspondence until 8:00 pm EDT today.

Sincerely,

Hodges and Associates

[Signed]: A. Clifton Hodges

ACH.gm

Cc: Her Majesty, Queen Elizabeth II

Lindell H. Bonney, Sr.  
Clients

*Exhibit #8*

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**A. Clifton Hodges  
James S. Kostas  
Donald W. Ricketts\*  
Of Counsel**

**April 26, 2010**

**Most urgent: Hand delivered**

**Her Majesty the Queen**

**Buckingham Palace  
London SW1A 1AA**

**Re: U.S. Dollar Refunding Project**

**Your Majesty,**

**I write to you in my capacity as legal counsel for Pennsylvania Investments, Inc. and its President, Michael C. Cottrell, B.A., M.S. As you are aware Mr. Cottrell and his wife are the beneficial owners of Pennsylvania Investments, Inc. and have requested that I communicate some urgent concerns regarding the subject U.S. Dollar Refunding Project.**

**I am advised and understand the following:**

**In 2007, funds aggregating 6.2 Trillion dollars were made available pro bono publico by and on Your Majesty's behalf for the purpose of this Project.**

**The International Group of Seven (G-7) agreed to this refunding program at their meeting in Northern Germany in June, 2006 and reaffirmed their support in 2007.**

**These funds, to date, have not been deployed for the purpose for which they were intended.**

**Through the good offices of Christopher Edward Harle Story, FRSA, from the period**

September, 2008 through December 29, 2008, previous arrangements for conducting this program were revised and reorganized such that Mr. Michael C. Cottrell would be wholly in charge of the project.

Based upon advice received in 2009 Mr. Michael C. Cottrell is to be in charge of the refunding project pursuant to the information and proposal set forth in two notarized affidavits dated December 29, 2008 and March 3, 2009.

I am advised that Your Majesty has previously received and approved these terms and conditions.

Premised on this history, Mr. Cottrell, again through the good offices of Mr. Story, has established a firm in London to conduct the refunding operations denominated "Cottrell Securities Limited".

This correspondence and request is premised upon the above facts.

Certain matters have come to the attention of Mr. Cottrell and myself which have caused considerable consternation as finalization of the refunding project has neared closure. I write to you on Mr. Cottrell's behalf out of concern that certain of these activities may be taking place without your knowledge and in contravention of your desires, and in violation of agreements made on your behalf at the G-7 meetings in 2006, 2007 and 2008.

Mr. Cottrell has prepared an affidavit, which was duly notarized on March 31, 2010, which sets forth the initial events surrounding the ongoing attempts to bring this matter to conclusion; I will not repeat them here as a copy of such affidavit is included as an attachment. Since March 31, 2010 various actions which have been ongoing each and every day have suggested, at least initially, that successful conclusion was imminent. However, as of the date of dictating this correspondence (April 23, 2010) neither I nor Mr. Cottrell are confident that this matter will conclude as originally designed, promised and intended without intervention from your authority.

Let me hasten to apologize for the presumptive, perhaps arrogant, tone of this correspondence and submission to you. However, this is a matter of such enormous public import, I thought it my duty as a citizen of the world community to bring this issue to your attention. In the event that additional information is necessary and/or desired, please feel free to contact me or Mr. Cottrell directly. Thank you for your kind consideration.

Sincerely,

HODGES AND ASSOCIATES

[Signed]

A. CLIFTON HODGES

**ACH/gm**

*Exhibit #9*

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A. Clifton Hodges  
James S. Kostas  
Donald W. Ricketts\*  
Of Counsel

April 28, 2010

For the urgent attention of the Chief of Staff:  
His Royal Highness the Duke of Edinburgh  
Buckingham Palace  
London SW1A 1AA

Dear Sirs

I write with respect on behalf of my clients Michael C. Cottrell, B.A., M.S., of Erie, Pennsylvania, USA, and his corporations: Pennsylvania Investments, Inc., registered in the Commonwealth of Pennsylvania, and Cottrell Securities Limited, registered in England and Wales.

I have been repeatedly advised by Lindell H. Bonney that the Basel List contains a Line Item providing for a loan for on-the-books trading purposes in the sum of \$6.2 Trillion Dollars in the aggregate, for use to finance the long-since approved Dollar Refunding Program requested of the G-7 financial powers by her Majesty the Queen 'for the sake of the whole of humanity'.

These sources have repeatedly confirmed to me, as Mr. Cottrell's Attorney, that the Line Item funding is to be deployed for this purpose by Mr. Cottrell's firm Pennsylvania Investments, Inc.

The matter has likewise been confirmed on several occasions directly to Mr. Cottrell, prior to my appointment as his Attorney.

The Dollar Refunding Program must ORIGINATE in the private sector, so that no corresponding PUBLIC DEBT is created on the other side of the balance sheet. Unfortunately, the US authorities have resisted this sound financing concept (the ONLY solution on the table) and seek to conduct the Dollar Refunding Program (on which the whole world depends) themselves, via the US Treasury, et. al., thereby generating a vast, open-ended further overhang of completely unnecessary official/public debt on the other side of the balance sheet.

Obviously, since the debt accumulated will be 100%, whereas any tax raised from such trades will not exceed, say, 35%, this severely exacerbates the US official debt overhang.

Such a course will therefore most certainly lead to US and global financial and economic disaster by rapidly accelerating the degradation of the US dollar and thereby inducing a Weimar-style hyperinflation.

On the well-known principle that 'good money' replaces 'bad money', and long since recognizing that the US authorities were unwilling to follow the sound path recommended by Her Majesty, Mr. Cottrell arranged for the formation of Cottrell Securities Limited, based in London, to handle the necessary fully taxable on-balance sheet trades.

A schematic plan (Figure 5A, Private Funding USD Refunding Loan) showing how the taxable trades will operate, is enclosed as the second sheet with the papers submitted herewith. The tax payable to the British authorities will be remitted along with any tax payable to the US authorities, directly to the British Treasury. Under the Bretton Woods Agreements, tax accrued abroad can be remitted by the 'foreign' country's Treasury to its counterpart in the receiving country.

The enclosed documents are itemized in the list presented as the first sheet with these papers. Documents

dated 6th September 2008, 29th December 2008 and 3rd March 2009, sent via an intermediary, may not have arrived as intended; so on 16th June 2009, Mr. Christopher Story resubmitted the papers, and also reported the possible diversion of previously submitted documents to Thames Valley Police.

With this package, I have arranged for everything that we believe to be pertinent to this matter to be provided all together. Unfortunately it has been necessary, due to the resistance mentioned above, to itemize details of what has been happening behind the scenes. We would prefer not to have had to do this, but were left with little choice in the matter.

The purpose of this letter, apart from providing you with these materials, is to seek confirmation that the advice repeatedly proffered to me and to Mr. Cottrell by William H. Bonney will now be acted upon. In this connection you will of course be well aware that international financial affairs are now in almost permanent turmoil, and that further delay, due to the aforementioned resistance, in implementing the sole sound formula risks the integrity of our financial and real economies and most regrettably of the supreme British authority itself.

I would therefore be most grateful for a positive response at your earliest convenience, so that matters can start to be brought under control by the means originally recommended by Her Majesty.

Sincerely Yours,

HODGES AND ASSOCIATES

[Signed]

A. CLIFTON HODGES



*Exhibit #10*

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**A. Clifton Hodges  
James S. Kostas  
Donald W. Ricketts\*  
Of Counsel**

**28 May, 2010**

**MOST URGENT  
Hand Delivered**

**The Rt. Hon. Christopher Geidt, CVO, OBE  
Buckingham Palace  
London SW1A 1AA**

**Re: U.S. Dollar Refunding Project**

**Dear Honorable Christopher Geidt:**

**I most recently wrote to you on May 26, 2010 to solicit the assistance of Her Majesty Queen Elizabeth II in securing the release of funds being held in the U.S. which are required for implementation of the U.S. Dollar Refunding Project. I write to you again in furtherance to that subject, on behalf of my clients Michael C. Cottrell, B.A., M.S., of Erie, Pennsylvania, USA, and his corporations: Pennsylvania Investments, Inc., registered in the Commonwealth of Pennsylvania, and Cottrell Securities Limited, registered in England and Wales.**

**As of the afternoon of May 28, 2010, I am currently advised and understand the following:**

**World Global Settlement funds have been collected and remain in the custody of the Bank of America in Richmond, Virginia.**

**Said funds are sufficient to cover all disbursements to be made by the authority of the Paymaster who has now spent more than eight weeks over the past three months, in Richmond, VA, for the purpose of concluding these transfers in accord with the BASEL agenda.**

**I became aware on May 27, 2010 that President Barack Obama had personally intervened in the scheduled May 27 release of funds, and had instructed that the funds be held until after the U.S. Memorial Day Holiday.**

**As any further delay in disbursement of these funds will engender considerable harm to many, and is without any legal basis, I wrote to President Obama putting him on notice and soliciting his cooperation. [A copy of that letter is attached].**

**My letter to President Obama was distributed to all parties dealing with the World Global Settlement funds, to both political parties in Washington, D.C., to the Democratic Caucus and its counsel, to the Black Caucus and its counsel, and to President Obama's priest.**

**The letter was also submitted to the British Royal Monarchal Power through your good offices; Mr. L.H. Bonney, Sr. has also verified that a copy of the letter was submitted to, and received by, Her Majesty, Queen Elizabeth II through MI-5 and MI-6.**

**Counsel for the Black Caucus immediately recognized that a criminal offense had been committed; he advised that he would directly inform the President by reading the letter to him on Air Force One today, as well as advise the President of his personal responsibility, over the four day weekend, for costs in the "Billions of USD". Said counsel also stated that "if release [of the funds] was not taken care of today – they [the Black Caucus] would wash their hands of him [President Obama]".**

**Vice President Biden was also informed of the May 27, 2010 letter, provided a copy, and discussed the veracity of President Obama taking directions from former President G.H.W. Bush; he indicated that President Obama's citizenship status was being used as very effective leverage against the President.**

**Vice President Biden also admitted that he was personally compromised, and therefore unqualified to succeed President Obama in the event that the President's tenure is attacked.**

**It now appears that it is only a matter of time before formal process is instituted to remove President Obama from office; however the "Succession List" has now been severely compromised by the failure to complete distribution of the subject funds.**

**I was advised at noon time this date that the on-site Paymaster authority, Mr. L.H. Bonney, Sr, had confirmed at Bank of America that no communication had been received from President Obama regarding authorization for release of the Settlement funds; accordingly, he was returning to Ohio.**

**Prior to Mr. Bonney's departure he further advised that all collected funds were in a**

**“locked-down” mode, and that all else is now in written form for further use in resolving the issue of final distribution of these Settlement funds.**

**[Insertion by the Editor:**

**However \$1.8 trillion was stolen from the funds as will be reported in the subsequent analysis].**

**As I have previously indicated, I am persuaded by these facts, that only the direct intervention of the Royal Monarchal Power will be efficacious in bringing this matter to conclusion. To secure release of these Settlement funds, it is now imperative that the Royal Monarchal Power exercise that power, as a U.S. Treasury lien-holder, to effectuate timely resolution.**

**Any further delay will not only jeopardize the severely stressed world financial condition, but will certainly serve to encourage those seeking even further delay.**

**This is a matter which now clearly seems can only be concluded at such time as the Royal Monarchal Power utilizes the power which has been granted, to effect closure through direct means. I apologize in advance for having to involve you further in this situation; however, circumstances dictate that direct intervention is now an imperative.**

**Thank you very kindly in advance for your help; it is truly appreciated by many, and will indeed have a very significant impact on the future financial health of the world.**

**Sincerely,**

**HODGES AND ASSOCIATES**

**A. CLIFTON HODGES**

**ACH/gm  
Enclosures**

**Cc: Michael C. Cottrell, B.A., M.S.  
Lindell H. Bonney, Sr.  
Christopher Story FRSA**

*Exhibit #11*

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**A. Clifton Hodges  
James S. Kostas  
Donald W. Ricketts\*  
Of Counsel  
June 10, 2010**

**MOST URGENT  
Sent Facsimile  
and U.S. MAIL**

**Mr. Timothy A. Williams  
Director  
INTERPOL Washington  
United States National Central Bureau  
Washington D.C. 20530**

**Re: World Global Settlements**

**Dear Mr. Williams**

**I write to you on a most urgent basis to solicit the assistance of INTERPOL in securing the release of funds now being held in the U.S. for distribution to some 20 line item trustees/ payees as defined by the recent BASEL conferees, which distribution has been pending now since January, 2010.**

**I write to you as counsel for Michael C. Cottrell, B.A., M.S., of Erie, Pennsylvania, USA, and his corporations: Pennsylvania Investments, Inc., registered in the Commonwealth of Pennsylvania, and Cottrell Securities Limited, registered in England and Wales, and as counsel for some 50,000 shareholders of CMKM Diamonds, Inc.**

**As of noon time on this date, I am advised and understand the following:**

**World Global Settlement funds have been collected and remain, inter alia, in the custody of the Bank of America in Richmond, Virginia.**

**Funds sufficient to cover all disbursements to be made by the authority of the Paymaster have been confirmed this date to remain in the custody of Bank of America.**

**The Paymaster authority, Mr. Lindell H. Bonney, Sr., has spent more than eight weeks over the past three months, in Richmond, for the purpose of concluding these transfers in accord**

with the BASEL agenda.

Mr. Bonney and his associates have returned to Richmond this date for the purpose, again, of concluding these transactions; they were then advised by the U.S. Senate Banking Committee Chairman and the U.S. Senate Finance Committee that such transfers could not proceed as they continue to be blocked by Mr. Leon Panetta, among others.

I have previously written to President Barack Obama and to Her Majesty, Queen Elizabeth II; copies of this correspondence are attached hereto for your information and review.

Any further delay in disbursement of these funds will engender considerable harm to many, and is without any legal basis. I hereby urge your assistance and request intervention by the several plane loads of INTERPOL agents who have been sworn to assist in ferreting out financial misdeeds, and bringing the miscreants to justice.

I am persuaded by these facts, that the direct intervention of INTERPOL is absolutely required, from this time forward, to assist the Paymaster authority in fulfilling his instructions to finish these settlement payments, and to finally bring this matter to conclusion. Release of these Settlement funds, which has now been delayed for nearly six months, must be made forthwith.

It is now imperative that this matter be concluded; further delay is simply unacceptable. Such delay not only puts all of us in jeopardy, it encourages and emboldens those who seek to destroy not only these Settlements but the entire world structure.

I respectfully demand that INTERPOL act consistent with the charter given to them by President Obama in his December, 2009 Executive Order, and subsequently by the Attorney General of the United States. Circumstances now dictate that direct intervention is a must. Thank you in advance for your help, and your willingness to support the U.S. Constitution; it is appreciated by many, and will indeed have a significant impact on the future financial health of the world.

Sincerely,

**HODGES AND ASSOCIATES**

**A. CLIFTON HODGES**

Enclosures:

Her Majesty Queen Elizabeth II; dated April 26, 2010  
His Royal Highness the Duke of Edinburgh; dated April 28, 2010  
President Barack Obama; dated May 14, 2010  
President Barack Obama; dated May 19, 2010  
President Barack Obama; dated May 20, 2010  
The Rt. Hon. Christopher Geidt; dated May 21, 2010  
The Rt. Hon. Christopher Geidt; dated May 26, 2010  
President Barack Obama; dated May 27, 2010  
The Rt. Hon. Christopher Geidt; dated May 28, 2010

Cc: LaTonya Miller, Public Affairs, USNCB

**Lindell H. Bonney, Sr.**  
**Dana Wilcox**  
**Michael C. Cottrell, B.A., M.S.**  
**President Barack Obama**  
**Her Majesty Queen Elizabeth II**  
**David Cameron, UK Prime Minister.**

01

Exhibit # 12

1 UNITED STATES SECURITIES AND EXCHANGE COMMISSION

2 In the Matter of: )

3 ) File No. LA-03028-A

4 CMKM DIAMONDS, INC. )

5 WITNESS: Donald John Stoecklein

**ORIGINAL**

6 PAGES: 1 through 287

7 PLACE: Securities and Exchange Commission

8 Pacific Region

9 5670 Wilshire Boulevard

10 Room 11A

11 Los Angeles, California 90036

12 DATE: Tuesday, January 24, 2006

13

14 The above-entitled matter came on for hearing at

15 10:04 a.m., pursuant to notice.

16

Securities Exchange Commission  
Received

17

18

JUN 09 2009

19

TRANSCRIPT

20

21

22

23

24 Diversified Reporting Services, Inc.

25

(202) 467-9200

T/N 5

1 APPEARANCES:

2

3 On behalf of the Securities and Exchange Commission:

4 (b)(7)(C) ESQ.  
5 (b)(7)(C), ESQ.

6 Securities and Exchange Commission

7 Office of Enforcement

8 5670 Wilshire Boulevard

9 Eleventh Floor

10 Los Angeles, California 90036

11 (b)(7)(C)  
12  
13

14 On behalf of the Witness:

15 DONALD J. STOECKLEIN, PRO SE

16 402 West Broadway

17 Suite 400 .

18 San Diego, California 92101

19 (b)(7)(C)  
20

21

22

23

24

25



## 1 C O N T E N T S

2	WITNESSES		EXAMINATION
3	Donald J. Stoecklein		4
4	EXHIBITS:	DESCRIPTION	IDENTIFIED
5	54	Subpoena	6
6	55	1/20/06 letter from (b)(7)(C)	27
7	56	Fax with spreadsheet of funds	
8		to Double K Excavating	88
9	57	10/20/05 letter from (b)(7)(C) to	
10		(b)(7)(C)	100
11	58	Document re: property acquisitions	107
12	59	Form 8K for CMKM	109
13	60	11/3/05 resolution	132
14	61	11/4/05 press release	156
15	62	1/19/06 press release	185
16	63	Bank records	227
17	64	Trust account statement	251
18	65	3/25/05 letter from Chicago Title	
19		to (b)(7)(C)	254
20	66	Handwritten notes	259
21	67	Response to (b)(7)(C) request	263
22	68	Shareholder demand letter	274
23		PREVIOUSLY MARKED EXHIBITS	
24	1	Supplemental information form	5
25	12	11/4/05 press release	156

1 PROCEEDINGS

2 (b)(7)(C) On the record at 10:00 a.m. on  
3 Tuesday, January 24, 2006.

4 Whereupon,

5 DONALD JOHN STOECKLEIN

6 was called as a witness and, having been first duly sworn,  
7 was examined and testified as follows:

8 EXAMINATION

9 BY (b)(7)(C):

10 Q Please state and spell your full name for the  
11 record.

12 A Donald John Stoecklein, S-T-O-E-C-K-L-E-I-N.

13 Q I am (b)(7)(C) and this is (b)(7)(C). We  
14 are officers of the Commission for purposes of this  
15 proceeding.

16 This is an investigation by the United States  
17 Securities and Exchange Commission in the matter of CMKM  
18 Diamonds, LA-3028, to determine whether there have been  
19 violations of certain provisions of the federal securities  
20 laws. However, the facts developed in this investigation  
21 might constitute violations of other federal or state civil  
22 or criminal laws.

23 Prior to the opening of the record, you were  
24 provided with a copy of the formal order of investigation in  
25 this matter, as supplemented. It will be available for your

1 A I don't think so.

2 BY (b)(7)(C):

3 Q I note that the first paragraph of Exhibit 55  
4 indicates that you're providing testimony to the Securities  
5 and Exchange Commission on Monday, January 25th, 2006. I  
6 think that you're providing testimony on Tuesday, January  
7 24th, 2006. Is that correct?

8 A What is today? I don't know what today is.

9 BY (b)(7)(C):

10 Q Today is January 24th.

11 A 24th? Okay. Then that would be correct.

12 BY (b)(7)(C):

13 Q Is it your understanding that the mistakes in the  
14 day and date of your testimony are merely typographic errors?

15 A I have no idea. I didn't write the letter.

16 Q Does the discrepancy in the date, in your view,  
17 change any of the instructions regarding the waiver of the  
18 attorney-client privilege?

19 A No.

20 Q I think we're through with Exhibit 55, then.

21 A Okay.

22 Q Mr. Stoecklein, when did you first hear of CMKM  
23 Diamonds?

24 A A little less than a year ago.

25 Q What were the circumstances?

1 A I received a call from (b)(7)(C) , and he mentioned  
2 the company to me.

3 Q How did (b)(7)(C) first hear of CMKM Diamonds?

4 A I don't know.

5 Q What did (b)(7)(C) say about CMKM Diamonds?

6 A Well, I can't recall the specifics of the  
7 conversation, other than it was something to the effect he  
8 was considering going on the board of the company.

9 Q How did you know (b)(7)(C) ?

10 A I've known (b)(7)(C) for approximately 13, 14 years, and  
11 I've done work with him off and on through those years.

12 Q Did (b)(7)(C) say why he was considering going on  
13 the board of CMKM Diamonds?

14 A No.

15 Q Have you ever subsequently learned how (b)(7)(C)  
16 first became involved with CMKM Diamonds?

17 A Not other than (b)(7)(C) : asking him to join  
18 the board.

19 Q How did (b)(7)(C) meet (b)(7)(C) ?

20 A I'm not sure. I'm not exactly -- I'm not going to  
21 speculate. So I don't really know.

22 Q I understand that it's a speculation, but what's  
23 your best understanding of how (b)(7)(C) met (b)(7)(C) ?

24 A There was some introduction through one of Bob's  
25 relatives, somehow.

1 Q What did (b)(7)(C) say about CMKM Diamonds when he  
2 first called you about it?

3 A What did he say about them? I don't know. I don't  
4 recall what he said. It wasn't important.

5 Q What was the substance of your conversation with  
6 him?

7 A That he was considering going on the board of the  
8 company.

9 Q Why did he call you to tell you that?

10 A Well, because normally he would ask me to take a  
11 look at something, pull up any filings we could find on the  
12 company, and get them to him.

13 Q When did he call you about that?

14 A It would have been sometime around the end of the  
15 first or beginning of the second week in February of '05.

16 Q I note that you had mentioned before you've known  
17 (b)(7)(C) for a number of years, and that (b)(7)(C) was  
18 involved with CMKM Diamonds. Is that correct?

19 A That's correct.

20 Q Was that just a coincidence, that another of your  
21 clients contacted you about the same company?

22 A Yes.

23 Q Had you ever spoken with (b)(7)(C) about CMKM  
24 Diamonds before (b)(7)(C) contacted you?

25 A Frankly, I had never heard about CMKM Diamonds

1 before that call from (b)(7)(C).

2 Q How long did that call last?

3 A Probably five to ten minutes.

4 Q What did you do in response to that call?

5 A We probably went to either JSI online or Edgar  
6 filings, and pulled up some filings on the company, and  
7 arranged a meeting with (b)(7) to go over it.

8 A You said you "probably" did that?

9 A Probably did that. I vaguely remember a meeting,  
10 though, going over some of these filings with (b)(7).

11 Q Was that your first meeting with anyone about CMKM  
12 Diamonds?

13 A I believe so, yes.

14 Q When was that meeting?

15 A Again, I think that was -- it would have been a day  
16 or two after the phone call from (b)(7).

17 Q Who else attended that meeting?

18 A Possibly (b)(7)(C). I don't really recall the  
19 meeting itself, whether it was in our office or at a  
20 restaurant.

21 Q Did anyone from CMKM Diamonds attend that meeting?

22 A No.

23 Q What was discussed at that meeting?

24 A Well, I think we shared some concern with (b)(7) over,  
25 you know, what the company was doing. Certainly it was late

1 there's anything else, we'll get in touch with you.

2 A Okay.

3 (b)(7)(C): In that case, thank you very much for  
4 coming, and we are off the record at 5:11 p.m. on Tuesday,  
5 January 24th, 2006.

6 (Whereupon, at 5:11 p.m., the proceedings were  
7 recessed.)

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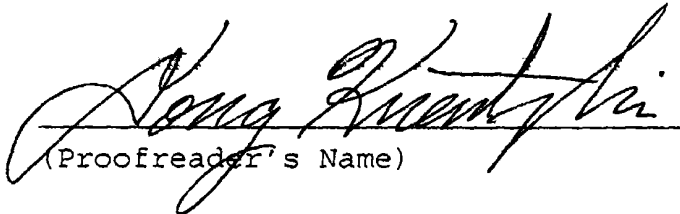
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PROOFREADER'S CERTIFICATE

In the Matter of: EMKM DIAMONDS, INC.  
Witness: DONALD STOECKLEIN  
File Number: LA-03028-A  
Date: 1-24-06  
Location: LOS ANGELES, CA

This is to certify that I, DOUG KRENTZLIN (the undersigned), do hereby swear and affirm that the attached proceedings before the U.S. Securities and Exchange Commission were held according to the record and that this is the original, complete, true and accurate transcript that has been compared to the reporting or recording accomplished at the hearing.

  
(Proofreader's Name)

2-6-06  
(Date)



I, Steve Hopkins, hereby certify that the foregoing transcript consisting of 287 pages is a complete, true, and accurate transcript of the hearing indicated, held on January 24, 2006, at Los Angeles, California, in CMKM Diamonds, Inc., I further certify that this proceeding was recorded by me, and that the foregoing transcript has been prepared by me or under my direction.

Steve Hopkins  
Reporter

2/1/06  
Date