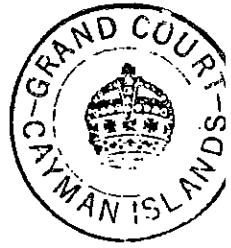


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IN CHAMBERS  
IN THE GRAND COURT OF THE CAYMAN ISLANDS

REGINA

V

1. LEWIS DENTON ROWE
2. PATRICK TIBBETTS

RULING

On the application of the Attorney General  
for a voluntary Bill of Indictment pursuant  
to section 106A of the Criminal Procedure Code

The material before me provides clear prima facie evidence of a scheme initiated as an investment scheme but which eventually came to be used to defraud investors.

Initially an investment scheme promoted by Messrs Charles Richard Homa and Michael Gause by which money was taken for onward lending to borrowers who would offer title to their motor vehicles as security, the scheme quickly became one by which the investors' monies were not so invested but instead diverted to the use and benefit of Homa, Gause and others.

Monies invested by later investors were used to repay "interest" to earlier investors, giving the impression that there had been genuine investments in the title scheme which yielded investment income.

The prima facie case reveals that large sums were also used for commission payments to Homa, Gause and others, including the defendants Tibbetts and Rowe. Relatively little of the investment monies were actually invested in the "cash for titles" scheme.

1 There is prima facie evidence that Tibbetts and Rowe were aware of and continued  
2 nonetheless to facilitate the arrangements even after it would have been clear that it had  
3 become nothing more than a "Ponzi" scheme for the deception of investors and the  
4 perpetuation of the fraud. Moreover, that they did this to facilitate the ongoing payment  
5 of commissions to Homa, Gause and others, including themselves.

6 Thus, the evidence describes a prima facie case of money laundering under the Proceeds  
7 of Criminal Conduct Law.

8 I am satisfied that exceptional circumstances are presented by this large and complex  
9 case such that justify the use of the legal process for a voluntary bill of indictment.

10 The exceptional circumstances include the fact that the case is presented in a prepared  
11 form, which allows for a full understanding of the issues without the need for an enquiry  
12 by way by committal proceedings.

13 Such proceedings would necessarily be long, involved and costly to the defendants as  
14 well as to the Crown.

15 The defendants suffer no disadvantage by the procedure for a voluntary bill because they  
16 are on notice of it, having been served with the material and have not sought to object.

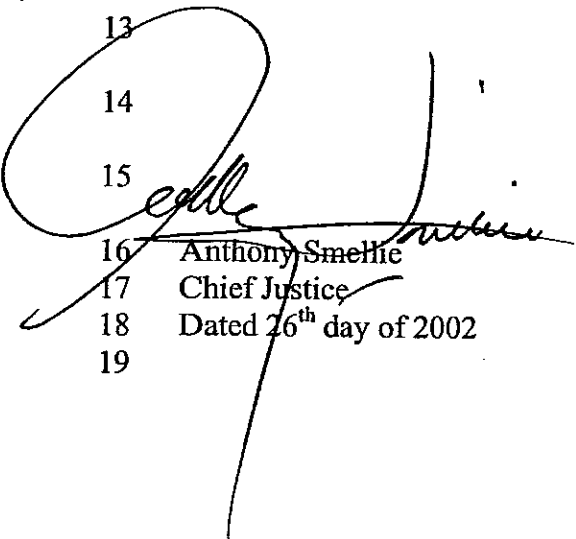
17 Indeed, it is in their interest that the most efficient and economical route for getting to  
18 trial be taken.

19 Finally, many witnesses are from overseas. They and the Crown would be unduly taxed  
20 and inconvenienced, were they to be required to travel here twice in order to testify.

21 Included amongst them are the witnesses Charles Homa and Michael Gause, who both  
22 now stand convicted in the United States for their part in their "Cash 4 Titles" Scheme  
23 and are awaiting sentence.

1 I am told that legal and practical difficulties would also attend their being required to  
2 travel here twice to testify.  
3 For the foregoing reasons, I am satisfied that the process for the preferment of a voluntary  
4 Bill of Indictment pursuant to section 106 A of the Criminal Procedure Code should be  
5 invoked here. I order that leave to be given for the preferment of the Bill of Indictment in  
6 the form presented based upon the already extent charges against the defendants Rowe  
7 and Tibbetts.  
8 I will endorse the Bill of Indictment accordingly.  
9 I also direct that the Bill of Indictment be presented to the Summary Court where it will  
10 operate as the basis for the remand of the defendants to this Court for trial when they  
11 next appear before that Court. They are to be remanded on bail to appear before this  
12 Court at 10am on the Wednesday 1<sup>st</sup> May 2002.

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Anthony Smellie  
Chief Justice  
Dated 26<sup>th</sup> day of 2002