

REPORT DATE 12/31/92	OFFICE OF THE ATTORNEY GENERAL STATE OF COLORADO	CASE - ALPHA LW WK EAAVV
TYPE OF REPORT Supplemental	REPORT BY Susan Marie Fenger	AREA Statewide
NATURE OF CASE  <b>FUQRA: SUPPLEMENTAL WORKERS' COMPENSATION FRAUD FINDINGS</b>		

INVESTIGATION:

On October 8, 1992, separate search warrants were executed at the following six locations:

LOCATION 1--Trout Creek Pass, Buena Vista, CO (BOXES 18 through 43)<sup>1</sup>

LOCATION 2--4510 Fenton, Colorado Springs, CO (BOXES 44 through 50)

LOCATION 3--3115 Mission, Colorado Springs, CO (BOXES 51 through 54)

LOCATION 4--3504 Pikes Peak, Colorado Springs, CO (BOXES 55 and 56)

LOCATION 5--828 Locust, Williamsport, PA (BOX 57)

LOCATION 6--739 Park, Williamsport, PA (BOX 57)

On November 18, 1992, a seventh search warrant was executed at:

LOCATION 7--4045 S. Broadway, Englewood, CO (BOXES 58 through 75)

The evidence seized as a result of these seven searches discloses additional information in support of the previous workers' compensation investigative findings. This additional evidence is as follows:

<sup>1</sup>Resulting boxes of potential evidence seized.

1. Evidence (EXHIBIT 1) seized on October 8, 1992, from LOCATION 1, Building 2, Room F (Briefcase I) Trout Creek Pass, Colorado reveals the existence and operation of an apparent business "front" known as Professional Security International (P.S.I.) during the same time period in which JAMES D. WILLIAMS and his associates received workers' compensation benefits. This evidence, a brown covered vinyl and metal business ledger, was found to contain the following:

a. Three pages of records, an apparent check register, dated 8/87 through 5/88, showing payment of rent and office operation expenses, but no receipt of income from legitimate business sources to support the checks being written.

b. One Colorado Department of Revenue letter regarding the return of a tax application form, along with voided check #1231, made payable to the Colorado Department of Revenue in the amount of \$30.00, dated 11/6/87, apparently to be drawn against P.S.I. account #2000602 with the United Bank of Littleton, and signed by JAMES D. WILLIAMS.

c. One voided check #1219 made payable to Mountain Bell in the amount of \$221.00, dated 10/19/87, apparently to be drawn against P.S.I. account #2000602 with the United Bank of Littleton, and signed by JAMES D. WILLIAMS.

d. One voided check #1229 made payable to Martin Buildings (for "November rent" of 4045 South Broadway in Englewood) in the amount of \$105.00, dated 01/05/88, apparently to be drawn against P.S.I. account #2000602 with the United Bank of Littleton, and signed by JAMES D. WILLIAMS.

e. One check #1251 made payable to Martin Buildings (for "rent" of 4045 South Broadway in Englewood) in the amount of \$405.00, dated 01/05/88, apparently to be drawn against P.S.I. account #2000602 with the United Bank of Littleton, and signed by JAMES D. WILLIAMS and found to be contained in a white windowed-envelope.

f. One Arapahoe County Tax Notice from the Colorado Treasurer to P.S.I. for the tax year 1989.

g. One City of Englewood Health and Safety License and attached cash register receipt for \$100.00 issued to P.S.I. to conduct business between

12/31/89 and 12/31/90. The receipt, dated 01/29/90, indicates that payment was received from JAMES D. WILLIAMS.

h. One U.S. Treasury, Bureau of Alcohol, Tobacco, and Firearms Type 01-Dealer in Firearms (other than destructive devices) License #5-84-003-U-3C-46070, listed to JAMES D. WILLIAMS of P.S.I.

i. One Republic Money Order Stub #HA31248923, dated 11/4/87, in the amount of \$200.00 made payable to Martin Buildings.

j. Two customer's copies of Cashier's checks #207094, dated 12/21/87, and #207044, dated 12/17/87, from the United Bank of Littleton, remitted by JAMES D. WILLIAMS and made payable to Century 21 Canyon Land Investment Company in the amount of \$5,000.00 each.<sup>2</sup>

k. Two voided checks; #1276, dated 05/12/88, in the amount of \$1,000.00, and #1248, dated 03/17/88, in the amount of \$75.00 made payable to Able Car Auto, apparently to be drawn against P.S.I. account #2000602 with the United Bank of Littleton, and signed by JAMES D. WILLIAMS.

l. Three pieces of white paper with sketches for a uniform shirt or tunic together with a pink half sheet of paper with the names and measurements of "WALT" (WALTER IVAN BANKS aka CHARLES H. MCGHEE), "KEN" (KENNETH GREEN aka CHRIS JOHNSON and CHRIS CHILDS), "LENNY" (LEONARD KENDALL JACKSON), "DARYL" (DARYL WOODS aka EDWARD IVAN MCGHEE), "RAY" (RAYMOND D. WILLIAMS aka JAMES L. UPSHUR, JR.), and "RAFAEL" (VINCENTE RAFAEL PIERRE aka RAFAEL PIERRE).

m. Three P.S.I. business cards indicating that JAMES D. WILLIAMS was the President and LEONARD JACKSON and RAFAEL PIERRE were supervisory staff of P.S.I.

n. One U.S. Treasury, Bureau of Alcohol, Tobacco, and Firearms Type 06-Manufacturer of Ammunition for Firearms other than Destructive Devices or Armor Piercing Ammunition License #5-84-003-06-3C-46381, listed to JAMES D. WILLIAMS of P.S.I., with the expiration date of 03/01/93.

<sup>2</sup> Note that on December 21, 1987, previously obtained evidence revealed that JAMES D. WILLIAMS purchased the Trout Creek Pass property of 101 acres with a \$10,000.00 downpayment.

2. Evidence (EXHIBIT 2) seized on October 8, 1992, from LOCATION 1, Building 21, Trout Creek Pass, Colorado, a three ring binder containing United Bank of Colorado Springs account #132-312 checks and stubs, titled "CCC Carpentry, P.O. Box 13378, Denver, Colorado 80211," discloses an address, banking, and construction business link between CHRIS CHILDS, JAMES L. UPSHUR, and CCC Carpentry (no checks/stubs appeared to be written from this binder).

3. Evidence (EXHIBIT 3) also seized on October 8, 1992, from LOCATION 1, Building 21, Trout Creek Pass, Colorado, a brown plastic folder containing forms addressed to CHRIS CHILDS from the Colorado Department of Labor and Employment regarding workers' compensation claims, along with looseleaf paper containing written notations on how to complete the forms.

4. Evidence (EXHIBIT 4) seized on October 8, 1992, from LOCATION 2, the Fenton Drive, Colorado Springs residence, Room A-1, reveals an association between CHRIS CHILDS, JAMES D. WILLIAMS, EDWARD IVAN MCGHEE, WILLIAM H. GILBERT, and others, including long-distance telephone calls being made to Lahore, Pakistan (FUQRA headquarters). This evidence is as follows:

a. One Spring 1992 issue of Memorial Hospital's Today magazine addressed to WILLIAM H. GILBERT at the Fenton Drive address.

b. Two Spring 1992 issues of Memorial Hospital's Today magazine addressed to SANDRA MOHAMMAD at the Fenton Drive address.

c. One Spring 1992 issue of Memorial Hospital's Today magazine addressed to ANTHESIA MARLOW at the Fenton Drive address.

d. City Parks and Recreation Summer 1992 program information sent from the Colorado Springs Housing Authority to Anthesia Marlow.

e. Overdraft notice from Norwest Bank regarding account #524-3027344, sent to EDWARD IVAN MCGHEE and JAMES D. WILLIAMS.

f. One US West overdraft credit balance notice, dated 09/25/92, regarding account (719) 574-5097, in the name of CHRIS CHILDS.

g. One US West toll bill notice, dated 03/25/92, regarding account (719) 574-5097, in the name of CHRIS CHILDS, including billing for calls made to Pakistan.

- h. One AT&T form mailer regarding long distance pay phone calls sent to CHRIS CHILDS.
- i. Miscellaneous handwritten notations on a piece of envelope.
- j. Sweepstakes Clearing House Promotion addressed to Mr. and Mrs. WILLIAMS.
- k. Colorado Springs utility bill, including a notice of "cut-off" dated 06/10/92, addressed to Anthesia Marlow.
- l. International Telecharge, Inc. bill dated 06/29/92 sent to CHRIS CHILDS.
- m. Receipt of payment of \$180.00 by JAMES D. WILLIAMS to Riley Mobile Home Sales, dated 05/07/92.
- n. Farmers' Insurance Group premium notice sent to EDWARD IVAN MCGHEE for coverage of a '92 Escort.
- o. Two renewal solicitations for Sesame Street magazine addressed to Marilyn Williams.
- p. "Welcome to MCI" package addressed to CHRIS CHILDS.
- q. 09/09/92 "disconnect" notice from the Colorado Springs utility company addressed to Anthesia Marlow.
- r. Colorado Springs Housing Authority receipt of payment of \$53.00 from Anthesia Marlow on 05/05/92.
- s. Colorado Springs Housing Authority bi-annual checklist dated 03/05/92 sent to Anthesia Marlow, with handwritten notations made on the reverse side.
- t. Piece of a US West bill with handwritten notations made on reverse side.
- u. Envelope for carbon printed document regarding "Claim #4NEP-R46, distributed 06/11/92."
- v. Small envelope with an unintelligible handwritten note to: 'Naib Shakur (aka MUHAMMAD A. SHAKUR, JAMES D. WILLIAMS).'

- w. Handwritten note to Naib Shakur (aka MUHAMMAD SHAKUR, JAMES D. WILLIAMS) in reference to the need to do some shopping.
- x. Notice from Wal-Mart to EDWARD IVAN MCGHEE that his check, dated 07/31/92, was returned by the bank.
- y. Housing Authority notice to water the lawn.
- z. New Mexico Motor Vehicle Division return envelope with handwritten telephone numbers on it.
- aa. Form notice sent to CHRIS CHILDS of possible eligibility for settlement in class action suit of US West.
- bb. Past due bill and disconnect notice from US West to CHRIS CHILDS, postmarked 04/15/92, in regard to account #(719) 574-5097.
- cc. Notice from the Colorado Springs District Attorney to JAMES D. WILLIAMS in reference to WILLIAMS having been the victim of uninsured driver Quincy Wayne Jones.
- dd. Colorado Springs Housing Authority inspection failure notice sent to Anthesia Marlow in regard to neglect of the lawn.
- ee. Disconnect notice from US West to CHRIS CHILDS in reference to accounts #(719) 574-5097 and (719) 637-1673.
- ff. Midwest Mutual Insurance Company auto policy notice sent to JAMES D. WILLIAMS in reference to policy #304-04-90.
- gg. Midwest Mutual Insurance Company auto policy notice sent to CHRIS CHILDS in reference to policy #304-04-91.
- hh. Rocky Mountain Shooting Club March 1992 Newsletter addressed to JAMES D. WILLIAMS.
- ii. Utility bill, dated 9/92, addressed to Anthesia Marlow.
- jj. Norwest Bank Statement in reference to checking account #5054105844, dated 08/28/92, in the name of JAMES D. WILLIAMS.
- kk. Norwest Bank Statement in reference to checking account #5243027344, dated 05/22/92, in



the names of JAMES D. WILLIAMS and EDWARD IVAN MCGHEE.

ll. US West bill, dated 06/08/92, sent to CHRIS CHILDS in reference to account #(719) 637-1673.

mm. MCI Friend and Family sent to CHRIS CHILDS in reference to "only member of the circle--Jamil Haqq at (607) 467-4930."

nn. Utility bill, dated 09/09/92, sent to Anthesia Marlow.

oo. Utility bills and disconnect notices sent to Linda Bucey at 3115 Mission Street in Colorado Springs, dated February through March 1992.

5. Evidence (EXHIBIT 5) seized on October 8, 1992 from LOCATION 2, Fenton Drive, Colorado Springs residence, Room E-1, 1992, discloses an association between EDWARD IVAN MCGHEE, JAMES D. WILLIAMS, and CHRIS CHILDS, as well as Marilyn Williams, as follows:

- a. Letter sent to EDWARD IVAN MCGHEE or JAMES D. WILLIAMS from a 7-11 store in Dallas Texas.
- b. Letter sent to Marilyn Williams at P.O. Box 3008, Buena Vista from Attorney Peter David Rubin.
- c. Two letters sent to Marilyn Williams from the Buena Vista Medical Clinic, P.C.
- d. Letter sent to CHRIS CHILDS from the Midwest Mutual Insurance Company.
- e. Notice from a 7-11 store to EDWARD IVAN MCGHEE or JAMES D. WILLIAMS in reference to making good on a \$60.00 returned check.
- f. Dunning letter sent to Marilyn Williams from the Buena Vista Medical Clinic, P.C. in reference to a \$67.00 debt.
- g. 120-day past due notice for \$57.00 sent to Marilyn Williams from the Buena Vista Medical Clinic dated 08/02/92.
- h. 120-day past due notice for \$57.00 sent to Marilyn Williams from the Buena Vista Medical Clinic dated 06/29/92.

6. Evidence (EXHIBIT 6) seized on October 8, 1992, from LOCATION 2, the Fenton Drive, Colorado Springs residence, second level den, shows that EDWARD IVAN

MCGHEE and JAMES D. WILLIAMS hold a joint bank account and use the 4510 Fenton Drive address in Colorado Springs as their mailing address, as follows:

a. two boxes of United Bank of Colorado Springs checks in the names of EDWARD IVAN MCGHEE and JAMES D. WILLIAMS, using the residence address of 4510 Fenton Drive, in Colorado Springs.

b. A check register from the United Bank of Colorado Springs account in the name of JAMES D. WILLIAMS, shows many checks written to Blockbuster Video, using the drivers' license identification of H-541476. One check in the United Bank account shows the check numbered 8-3-92 is made out to US West for telephone number 574-5097. Most checks are dated from 5/92 to 8/92 and are made out to Home Base, Sound Warehouse, etc.

7. Evidence (EXHIBIT 7) seized on October 8, 1992, from LOCATION 2, Fenton, Colorado Springs residence, bathroom D-1, shows workers' compensation forms for DARYL WOODS as an employee, while another package shows workers' compensation forms sent to DARYL WOODS as an employer.

8.. Evidence (EXHIBIT 8) seized on October 8, 1992, from LOCATION 2, Fenton Drive, Colorado Springs residence, second level bedroom E, reveals a relationship between JAMES D. WILLIAMS, SAMUEL MCCLANE, EDWARD IVAN MCGHEE, CHRIS CHILDS, and others and that large amounts of money were needed and spent as follows:

a. One copy of a Cashier's check sent to Joe Albert for \$3,000.00 on 08/24/92 from JAMES D. WILLIAMS.

b. Computer printouts of a 'mini-statement' for JAMES D. WILLIAMS.

c. Vehicle registration for SAMUEL MCCLANE showing 4045 South Broadway in Englewood as an address<sup>3</sup>.

d. Invoice on the purchase of a 1981 Pontiac in the name of SAMUEL MCCLANE.

e. Overdraft notice sent to EDWARD IVAN MCGHEE and JAMES D. WILLIAMS.

f. Bank statement for EDWARD IVAN MCGHEE.

<sup>3</sup> Same address used by JAMES D. WILLIAMS (aka SAMUEL MCCLANE) for P.S.I.



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- g. Deposit slip in the amount of \$800.00 to Account #5243027344.
- h. Receipt in the amount of \$320.00 made out to JAMES D. WILLIAMS for a mobile home payment.
- i. Miami Financial computer printout in the name of EDWARD IVAN MCGHEE and JAMES D. WILLIAMS.
- j. Colorado Springs Police Department collision report for Nathaniel Jones, DOB 06/14/57, residing at 4533 Fenton.
- k. China Airlines boarding pass for JAMES D. WILLIAMS, dated 12/17/91.
- l. Money Order receipt for a mobile home purchase in the name of JAMES D. WILLIAMS.
- m. Telephone bill sent to CHRIS CHILDS at 4510 Fenton Drive in Colorado Springs for calls made to Pakistan (#9242872921 and 925932403) and Haney, British Columbia (#602-467-4930), as well as numerous calls made throughout Colorado. On a telephone bill sent to CHRIS CHILDS, dated 5/92, there were again numerous Colorado calls, as well as calls made to the following locations and numbers:

Deposit, NY (607) 467-4930  
Commerce, GA (404) 335-9349  
Pontiac, MI (313) 335-5954  
Brooklyn, NY (718) 624-3948  
Pakistan, (924) 287-2921  
Commerce, GA (404) 335-3084  
Philadelphia, PA (215) 247-4268

- n. On a telephone bill/envelope sent to CHRIS CHILDS, dated 4/92, was the following writing: "Birth date given July 25, 1949, SS# 164-40-1983, from Guam: 06719999990 to CS, C 719-574-5097," as well as calls made to the following locations and numbers:

Camden, NY (609) 964-0947  
Dupaset, NY (607) 467-4930  
Pakistan, (924) 287-2921 and (924) 287-0071  
Van Nuys, CA (818) 789-2915  
Brooklyn, NY (718) 789-2915  
Pontiac, MI (313) 335-3446

o. Real Estate tax statement for Cynthia Ruben and Mubarik Shaw (aka Sheikh Jilani and his wife)<sup>4</sup> C/O JAMES D. WILLIAMS, 4045 S. Broadway, #201, Englewood, CO 80110.

9. Evidence (EXHIBIT 9) seized on October 8, 1992, from LOCATION 3, the Mission Street, Colorado Springs residence, outside shed, shows a relationship existed between Walter Banks (aka CHARLES H. MCGHEE), WILLIAM E. GILBERT, and others:

a. One application for employment with the City of Colorado Springs, completed by WILLIAM E. GILBERT on 11/07/90.

b. "Movie Quick" membership card completed by Walter Banks on 02/06/90.

c. Lease agreement with D. Rabern-Berg, for property in Colorado Springs, dated 9/90.

d. Pamphlet sent to Walter Banks from Hall Brothers Hatchery, MA on 1/91.

e. Letters written to Muhammad Mujahaideen in Colorado Springs from Charles W. McGhee in San Antonio, Texas, dated 1990.

10. Evidence (EXHIBIT 10) seized on October 8, 1992, from LOCATION 6, Park Avenue, Williamsport, PA residence, further confirms that the JAMES L. UPSHUR who was arrested on said date is the same UPSHUR who was in receipt of workers' compensation while residing in Pennsylvania as follows:

a. Copy of a workers' compensation paystub showing benefits paid to JAMES L. UPSHUR in the amount of \$715.26 bi-weekly from 12/90 through 1/92.

b. Letter and attachments regarding UPSHUR's workers' compensation claim sent to UPSHUR from his attorney with the law firm of Steven Mullens, dated 1/15/92.

c. 1992 bank statements from UPSHUR Enterprises, showing that UPSHUR used a portion of his workers' compensation settlement monies to start a truck

<sup>4</sup> A piece of property was purchased by Sheikh Jilani (using the name Mubarik Shaw) in Bailey, CO prior to the purchase of the Trout Creek Pass property by JAMES D. WILLIAMS in 1987. Sheikh Jilani, again, using the name Mubarik Shaw, attempted to purchase the Trout Creek Pass property in 1985, but, for some unexplained reason, the transaction fell through.

driving business, which is the same line of endeavor in which UPSHUR engaged while receiving workers' compensation, claiming he was temporarily disabled and could not work.

11. Evidence (EXHIBIT 11) seized on November 15, 1992, from LOCATION 7, the former office of Professional Security International (P.S.I.) in Englewood, Colorado reveals that P.S.I. was used as a "front" organization through which to launder monies used to support terrorist activities and obtain information which could assist the group known as FUQRA to avoid detection through the use of false identities and creation of fraudulent documents while planning acts of violence against their enemies.

a. Questionnaires from the Global School of Investigation (G-2)<sup>5</sup>.

b. 19-page intelligence report regarding use of identities (G-2).

c. P.S.I. maintained two sets of books--apparently altering one set to use for the purposes of (1) obtaining tax write-offs; (2) skimming a portion of P.S.I. "income" for personal use of JAMES D. WILLIAMS without reflecting it as personal income to WILLIAMS; and (3) for the purchase of property to be used by FUQRA members (F-1).

d. Various United Bank of Littleton bank records from 1985 through 1988 revealing the joint account of JAMES D. WILLIAMS and JAMES L. UPSHUR (F-1).

e. files filled with brochures and labeled: Able Auto, advertising, alarms, American Business directories, American Small Business Association, Arapahoe County Treasurer, Assessor's Application, Associations, Binoculars, Brokers, Brownyard Insurance, Buildings, Building License Applications, Burglar Alarms, Business Mail, Catalog, CEO Forum, China Diesel Imports, City and County Excise License, City of Englewood, Communication, Computer, Contact Communications, Contact Influential, Contractor, Cuffs/Holsters, Cops and Uniforms, DRCOG, Denver Chamber of Commerce, Drug Testing Success, Electronic Surveillance, Employer Guidelines, Empire Gazette Corporation, Englewood School News, Federal License Arms, Enterprise, Locksmith, Invoices, Lease, Insurance, IRS, Fences, Firearms, General

<sup>5</sup> Letters and numbers appearing in parentheses refer to location of evidence in Boxes 58 through 75.

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Services Administration, Gun Law, Hand Guns and Range Safety, Requests for Bids, and Business Cards (in the name JAMES D. WILLIAMS).

f. 1985 Form 1040 Income Tax Return and 1984/1985 W-2s in the names of VINCENTE R. PIERRE and Tracy Pierre with white-out of amounts and alterations.

g. P.S.I. business check photocopies with altered check numbers made payable to JAMES D. WILLIAMS (see F-1 with regard to two sets of books).

h. P.S.I. photocopies of checks issued to pay various expenses to different organizations with some check numbers cut out, dates ranging from August 1985 through October 1985, and one check in May 1986.

i. Check binder labeled McClane's Carpenter and Home Builders, 5100 South Pearl, Littleton, Colorado, and five (5) bills to Jatz Builders from SAMUEL MCCLANE (spelled MCCLAIN) (A-16).

j. Business Card with the caption R.J. Landscaping and Fresh Farm products with the names DARYL WOODS, RAYMOND D. WILLIAMS, KENNETH GREEN, and NELSON WANAMAKER on the backside of the card.

k. Contractor License Applications with an attached check from SAMUEL MCCLANE of Conifer, Colorado, dba MCCLANE Carpenter and Home Builders, 4045 South Broadway, Englewood, Colorado, showing the applicant as JAMES D. WILLIAMS, and officers and partners as RAYMOND WILLIAMS, SAMUEL MCCLANE KEN GREEN, and WILLIAM LEMAY (aka EDWARD NICOLAS FLINTON). Workers listed under the license are shown as: SAMUEL MCCLANE, CHRIS CHILDS, EDWARD STEVEN FREDERICK, with the business lease B & L Construction, P.O. Box 21364, 59913 Highway 285, The Benchmark Building, Bailey, Colorado 80421.

k. An uncashed P.S.I. check made to Design International for lease of 4045 S. Broadway.

l. Box of P.S.I. pens

m. letter from P.S.I. to G.S.A. soliciting business for P.S.I.

n. Bid speculation forms from G.S.A.

o. Letter from P.S.I. to Federal Security Police, soliciting business.

p. Bid packages from the Department of the Navy, the Veteran's Administration, Department of Housing, Department of the Army, and Department of Labor, and Department of Health and Human Services.

q. Books on firearms.

r. Six black and silver P.S.I. uniforms with the employee name tags and sizes, as well as employee name pins as follows: WALTER T. BANKS - 40 Short, RAFAEL V. PIERRE - 40 Long, NELSON A. WANAMAKER - 42 Medium, KENNETH GREEN - 42 Medium, DARYL WOODS - 40 Medium, and JAMES D. WILLIAMS - 46 Large (Front Room #1).

s. Three wooden desk signs with brass name plates identifying Marilyn Grey - Secretary, RAFAEL PIERRE - Supervisor, and JAMES D. WILLIAMS - President and Director of Security.

t. Receipts for handbook on obtaining "New Identities in America" (E-15).

u. Health Insurance Claim Form for SAMUEL MCCLANE dated 05/09/88--one day prior to the date that JAMES D. WILLIAMS filed his workers' compensation claim.

This concludes my supplemental report concerning additional evidence obtained in support of the workers' compensation fraud findings.

*Susan Marie Fenger*  
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*12-31-92*  
Date