

# GOVERNMENT EXHIBIT A

09/08/08

CW: Does Fortress know that all these POs are fake?

Petters: F [REDACTED] no, they don't know they are fake.

Petters: The only thing that makes me think there is some divine intervention--when you get to it--(now whispering to CW)--there is no possibility we could have got away with this for so long.

Petters: This is all one big f [REDACTED] n fraud and that's what it is, and that's why I'm dealing with it.

GOVERNMENT  
EXHIBIT  
A  
08-364(RHK)

GOVERNMENT  
EXHIBIT  
1  
08mj364 FLN

Confidential

**Thomas J. Petters  
Statement of Financial Condition  
As of December 31, 2007 and 2006**

**Personal and Confidential**  
(Preliminary and Tentative)

**THOMAS J. PETERS**  
**Notes to Statement of Financial Condition**  
**December 31, 2007 and 2006**

**1. Basis of Accounting**

The accompanying financial statement includes the assets and liabilities of Thomas J. Petters. Assets are stated at their estimated current values, and liabilities at their estimated current amounts.

**2. Marketable Securities - Bonds, Stock (at fair market value)**Securities

JP Morgan Portfolios	25,846,935	\$	25,791,542
Merrill Lynch - pledged*	838,150		-
Dain Rauscher - pledged*	-		604,180
Dain Rauscher	-		184,828
	<u>\$ 26,685,085</u>	<u>\$</u>	<u>26,580,550</u>

\*Pledged to Crown Bank

**3. Notes Receivable - (at cost, unless otherwise noted)**Notes Receivable

Collegeville Development Group	\$ -	\$	1,085,204
Tam O'Shanter	211,288		-
Metropolitan Media	1,000,000		-
Individuals	1,600,950		1,775,800
Mobilign Services, LLC	65,000		65,000
	<u>\$ 2,877,238</u>	<u>\$</u>	<u>2,926,004</u>

**4. Investments - Non-related party securities (at cost, unless otherwise noted)**

Thomas J. Petters estimated the current value of non-related party investments as follows:

Securities

Bellanotte Hospitality, LLC	\$ -	\$	574,997
Bryant Lake	110,000		110,000
Business Impact Group, LLC	2,200,000		2,677,886
Calico Capital	1,500,000		760,691
Crown Bank	492,298		500,100
Collegeville Development Group, LLC	-		975,427
Dermatrend	600,000		600,000
Five Restaurant and Street Lounge, LLC	-		102,681
Foshay Hotel, LLC	2,000,000		2,000,000
Mn Mane Solutions, LLC	50,000		8,255
Idlewild Properties, LLC	-		1,621,004
International Coffee Company	-		-
Manny's Miami, Inc	150,000		-
Metro Media Group	-		-
Miaroqistix	46,500		46,500
Midtown Partners, LLC (cost of \$5,000,000 x 33.333%)	700,000		-
Minnesota Choice Aviation	-		-
MN Music	-		-
Minnesota Pine Meadows, LLC	28,500		17,123
Mobilign Services LLC	83,969		83,969
Navvo Group	2,000,000		-
Nazca Solutions, Inc.	750,000		750,000
Pantheon Partners Realty	28,515		-
Redstag Properties, LLC	100,000		436,467
Redstone (cost of \$1,410,000)	3,750,000		3,750,000
Resort Ventures	-		12,836
RWB Development	1,200,000		1,200,000
SK2 (Kuhlman Company, Inc)	249,999		22,727
SML Investments	120,000		120,000
SchoolPower	38,091		63,111
Space Data Corp	900,000		900,000
Theme Retail Enterprises, LLC	500,000		419,849
	<u>\$ 17,597,873</u>	<u>\$</u>	<u>17,753,623</u>

**THOMAS J. PETTERS**  
**Notes to Statement of Financial Condition**  
**December 31, 2007 and 2006**

**5. Investments - Closely held businesses**

Thomas J. Petters estimated the current value of investments in closely held businesses as follows:

uBid, Inc.	\$ 7,112,380	\$ 20,535,000
Polaroid/PCB/PGWW	525,000,000	675,000,000
Thomas Petters, Inc	2,350,000	4,864,000
Petters Company, Inc.	83,178,000	83,178,000
Petters Warehouse Direct	400,000	900,000
MN Airlines Holdings, Inc (Sun Country)	20,000,000	16,400,000
FAC Acquisition	350,000	-
Petters Aviation, LLC	6,945,573	2,607,000
Petters Real Estate Group, LLC	10,366,461	-
Zink Imaging, LLC	150,000,000	22,417,000
Trio Marketing, Inc	250,000	500,000
Fingerhut Direct Marketing Inc	140,000,000	137,347,000
RedtagBiz, Inc	10,850,000	10,850,000
	<u>\$ 956,802,414</u>	<u>\$ 974,598,000</u>

**6. Real Estate**

Thomas J. Petters estimated the current value of real estate as follows:

Residence 1840 S Ocean Blvd, Florida	\$ 12,000,000	\$ 10,870,426
Residence - Colorado 320 Elk Circle	2,000,000	1,571,734
15823 50th Ave - Plymouth MN	816,000	757,765
4741 Walnut Grove - Plymouth MN - Rental- Sold 2007	-	447,176
PFG Real Estate ( Deposits at cost) - transferred to Real Estate Group	-	200,000
Keystone Development Property - Colorado - transferred to Real Estate Group	-	16,915,244
333 Vitoria - Florida	675,000	675,000
6565 Bldg 189, Colorado - Rental	898,876	997,302
T&M Properties	332,899	-
29402 Lilac Road, St. Joseph, MN - Purchased 2007	725,000	-
Jack Pine Road - Wisconsin	300,353	450,000
Tam O' Shanter Lodge, LLC, WI	1,073,142	1,073,142
Total	<u>\$ 18,821,270</u>	<u>\$ 33,957,789</u>

**7. Residence**

The estimated current value of the personal residence is \$7,000,000 for 2007 and \$6,900,000 for 2006. The residence is secured by a first mortgage loan of \$946,500 and \$938,520 respectively.

**8. Revolving Lines of Credit**

Thomas J. Petters has a revolving line of credit with Crown Bank of \$750,000 secured by securities.	\$ 750,000	\$ 150,000
Revolving line of credit with Crown Bank of \$2,250,000 unsecured.	2,250,000	-
Revolving line of credit with Eagle Crest Capital Bank of \$3,000,000 secured by Minnesota residence.	3,000,000	3,000,000
Revolving line of credit with Northern Trust Bank of Florida of \$6,000,000 secured by Florida residence.	6,000,000	4,925,000
	<u>\$ 12,000,000</u>	<u>\$ 8,075,000</u>

**9 Notes Payable - Real Estate**

Keystone Development Property	\$ -	\$ 9,100,000
6565 Keystone, Colorado - Rental	607,239	615,493
4741 Walnut Grove - Rental	-	242,614
333 Vitoria Ave	499,974	499,974
29402 Lilac Road, St. Joseph, MN	567,604	-
Tam O' Shanter Lodge, LLC, WI	-	-
Total	<u>\$ 1,674,817</u>	<u>\$ 10,458,081</u>

**THOMAS J. PETTERS**  
**Notes to Statement of Financial Condition**  
**December 31, 2007 and 2006**

**10 Contingencies**

Thomas J. Petters has made personal guarantees to certain financial institutions and individuals for business debts and obligations principally secured by the receivables, inventories, real estate and other assets of the closely held entity.

Significant company amounts and the financial institution are listed below:

Petters Group Worldwide	J P Morgan Trust Company	Securities	\$ 20,150,000	\$ 20,650,000
PFG Real Estate Services	MinnWest Bank	Real Estate	9,100,000	9,100,000
T & M Properties, LLC	MinnWest Bank	Real Estate	2,620,000	2,620,000
Petters Aviation, LLC	J P Morgan Trust Company	Aircraft	6,500,000	6,800,000
Business Impact Group	Crown Bank	Certificate of Deposit	1,500,000	1,500,000
Metropolitan Media Group	Crown Bank	Business Assets	2,500,000	1,500,000
Idlewild Properties	Eagle Crest Capital Bank	Real Estate	8,500,000	8,500,000
Petters Aviation, LLC	Acorn Capital	Aircraft	12,950,000	-
Petters Aviation, LLC	Sun Credit	MN Airlines, LLC	32,500,000	-
Petters Real Estate Group	LaSalle Bank	Real Estate	10,435,000	-
Petters Real Estate Group	MinnWest Bank	Real Estate	10,400,000	-
Redstag Properties	Crown Bank	Real Estate	3,313,000	3,313,000
Nazca Solutions, Inc	Crown Bank	Business Assets	505,000	505,000
Collegeville Development	Eagle Crest Capital Bank	Real Estate	7,300,000	4,500,000
Petters Company, Inc	Private Financial Groups	Business Assets	305,000,000	305,000,000
			<u>\$ 433,273,000</u>	<u>\$ 363,988,000</u>

**11 Income Taxes**

The estimated current amounts of liabilities at September 30, 2007 and December 31, 2006 equaled their tax bases. Estimated income taxes have been provided on the excess of the estimated current values of assets over their tax bases as if the estimated current values of the assets had been realized on the statement date, using applicable tax laws and regulations. The provision will probably differ from the amounts if income taxes that eventually might be paid because those amounts are determined by the timing and the method of disposal or realization and the tax laws and regulations in effect at the time of the disposal or realization.

\$ 151,200,000 \$ 168,500,000

Signature: Dated: 6-10-2008

**Thomas J. Petters**  
**Investments in Closely Held Businesses**  
**As of: September 30, 2007**

	<u>Estimated Value</u>	<u>Ownership Percentage</u>	<u>TJP Estimated Value</u>
<b>Independent Operating Companies</b>			
uBid, Inc.	\$ 20,535,000		\$ 9,963,000
PWD	\$ 900,000	45.0%	\$ 405,000
RedtagBiz, Inc.	\$ 10,850,000	100.0%	\$ 10,850,000
PGWW/PCB/Polaroid	\$ 750,000,000	90.0%	\$ 675,000,000
FAC Acquisition - Operations	\$ 150,000	100.0%	\$ 150,000
Fingerhut	\$ 156,968,000		\$ 156,968,000
Aaron Chang	\$ -	75.0%	\$ -
MN Airlines Holdings	\$ 40,000,000	50.0%	\$ 20,000,000
Petters Company, Inc.	\$ 83,178,000	100.0%	\$ 83,178,000
Petters Aviation LLC	\$ 3,704,714	100.0%	\$ 3,705,000
SoniqCast, LLC	\$ -	100.0%	\$ -
Broadsign USA, LLC	\$ -		\$ -
InterActive Development, LLC	\$ -	65.0%	\$ -
Campus One Housing, LLC	\$ -	50.0%	\$ -
	\$ -	60.0%	\$ -
Trio Marketing, Inc	\$ 500,000	100.0%	\$ 500,000
Thomas Petters, Inc.	\$ 4,116,516	100.0%	\$ 4,116,515
Zink Imaging	\$ 25,937,000		\$ 25,937,000
	<u>\$ 1,096,839,230</u>		<u>\$ 990,772,515</u>
<b>Other Operating Companies</b>			

	<u>2007 Projected EBITDA</u>	<u>Multiple of EBITDA</u>	<u>Estimated Value</u>
Multiple of Net Income (P/E)		10.0	
Taxes		44%	
Multiple of EBITDA		5.6	
Projection Factor - Discount		50%	
Baseline Multiple of EBITDA		<u>2.8</u>	
Public Held Shares	7,605,714	1.3	\$ 9,963,000
Liquidation Value	\$ 900,000	1.0	\$ 900,000
Tax Benefit only	Valuation		
	Estimated		\$ 10,850,000
Liquidation Value	\$ 150,000	1.0	\$ 750,000,000
Shares	\$ 392,419,124	0.4	\$ 156,968,000
Cost Basis	\$ 2,000,000		\$ -
Cost Basis	\$ 16,400,000	2.0	\$ 32,800,000
Earnings	\$ 75,616,105	1.1	\$ 83,178,000
Net Book Value	\$ 2,607,100	1.0	\$ 2,607,000
Cost Basis	\$ 2,500,000	1.0	\$ 2,500,000
	\$ -	2.8	\$ -
Cost Basis	\$ 700,000	1.0	\$ 700,000
Cost Basis	\$ 1,269,667	1.0	\$ 1,270,000
	\$ -	1.0	\$ -
	\$ -	1.0	\$ -
Liquidation Value	\$ 500,000	1.0	\$ 500,000
Shares	18,526,250	1.4	\$ 25,937,000
			<u>\$ 1,078,323,000</u>

**Computation of the Excess of the Estimated Current Values  
of Assets Over Their Tax Bases and the Estimated Income  
Taxes on the Excess**

Securities	Estimated Current Value (A)	Tax Bases (B)	Excess of (A) over (B)	Effective Income Tax Rate	Amount of Estimated Income Taxes	Assumption
<b>Marketable Securities:</b>						
JP Morgan Portfolios	\$ 26,456,890	\$ 24,137,500	\$ 2,319,390	25.0%	\$ 579,848	Weighted avg. ST and LT Cap gain rate.
Merrill Lynch - pledged*	839,974	765,061	74,913	25.0%	18,728	Weighted avg. ST and LT Cap gain rate.
Scudder	800,435	800,435	-	25.0%	-	Weighted avg. ST and LT Cap gain rate.
<b>Notes Receivable:</b>						
Tam O'Shanter	\$ 211,288	\$ 211,288	-	0.0%	-	No tax effect, carried at cost.
Collegeville Development Group	2,671,835	2,671,835	-	0.0%	-	No tax effect, carried at cost.
Metropolitan Media	1,000,000	1,000,000	-	0.0%	-	No tax effect, carried at cost.
Individuals	1,927,150	1,927,150	-	0.0%	-	No tax effect, carried at cost.
Mobilign Services	65,000	65,000	-	0.0%	-	No tax effect, carried at cost.
<b>Investments:</b>						
Migrogistix	\$ 46,500	\$ 46,500	-	15.0%	-	LT capital gain rate.
Bryant Lake	110,000	110,000	-	15.0%	-	
Crown Bank	500,100	500,100	-	15.0%	-	
Calico Capital	1,500,000	1,500,000	-	15.0%	-	
Business Impact Group	2,677,886	2,200,000	477,886	15.0%	71,683	
Collegeville Development Group, LLC	389,719	389,719	-	15.0%	-	LT capital gain rate.
Dermatrend	600,000	600,000	-	15.0%	-	LT capital gain rate.
Five Star Restaurant	88,679	88,679	-	15.0%	-	LT capital gain rate.
Foshay Hotel, LLC	2,000,000	2,000,000	-	15.0%	-	LT capital gain rate.
Idlewild Properties, LLC	1,649,176	175,000	1,474,176	15.0%	221,126	
Manny's Miami	150,000	150,000	-	15.0%	-	LT capital gain rate.
Metropolitan Media	2,500,000	2,500,000	-	15.0%	-	LT capital gain rate.
Midtown Partners	700,000	-	700,000	15.0%	105,000	LT capital gain rate.
Mn ManeSolutions	50,000	50,000	-	15.0%	-	LT capital gain rate.
Minnesota Pine Meadows, LLC	16,077	17,123	(1,046)	15.0%	(157)	LT capital gain rate.
Mobilign Services	83,969	83,969	-	15.0%	-	LT capital gain rate.
Nazca Solutions, Inc.	750,000	750,000	-	15.0%	-	LT capital gain rate.
Navvo Group	2,000,000	2,000,000	-	15.0%	-	LT capital gain rate.
Redstag Properties, LLC	356,307	100,000	256,307	15.0%	38,446	
Redstone	3,750,000	1,410,000	2,340,000	15.0%	351,000	LT capital gain rate.
Resort Ventures	12,836	12,836	-	15.0%	-	LT capital gain rate.
RWB Development	1,183,487	1,183,487	-	15.0%	-	LT capital gain rate.
SK2 (Kuhlman)	249,999	249,999	-	15.0%	-	LT capital gain rate.
SML Investment	120,000	120,000	-	15.0%	-	LT capital gain rate.
SchoolPower	63,111	50,000	13,111	15.0%	1,967	LT capital gain rate.
Space Data Corp	900,000	900,000	-	15.0%	-	LT capital gain rate.
Theme Retail Enterprises, LLC	500,000	500,000	-	15.0%	-	LT capital gain rate.
<b>Closely held businesses:</b>						
uBid, Inc.	\$ 9,963,000	\$ 1,612,500	8,350,500	15.0%	1,252,575	LT capital gain rate.
PGWW/PCE/Polaroid	675,000,000	173,593,356	501,406,644	15.0%	75,210,997	LT capital gain rate.
Thomas Petters, Inc.	4,116,516	4,116,516	-	15.0%	-	LT capital gain rate.
FAC Acquisition	150,000	150,000	-	15.0%	-	LT capital gain rate.
Petters Company, Inc.	83,178,000	-	83,178,000	15.0%	12,476,700	NOL Carryforwards available.
Petters Warehouse Direct	405,000	405,000	-	15.0%	-	LT capital gain rate.
MN Airline Holdings, Inc	20,000,000	16,400,000	3,600,000	15.0%	540,000	LT capital gain rate.
Petters Aviation, LLC	3,704,714	2,607,000	1,097,714	15.0%	164,657	LT capital gain rate.
Zink Imaging, LLC	25,937,000	6,987,000	18,950,000	15.0%	2,842,500	NOL Carryforwards available.
Trio Marketing, Inc	500,000	500,000	-	15.0%	-	LT capital gain rate.
Fingerhut Direct Marketing, Inc.	156,968,000	35,796,563	121,171,437	15.0%	18,175,716	LT capital gain rate.
RedtagBiz, Inc	10,850,000	10,850,000	-	15.0%	-	
<b>Real Estate:</b>						
Residence - Florida	\$ 12,000,000	\$ 11,220,655	779,345	15.0%	116,902	LT capital gain rate.
Residence - Colorado	1,668,680	1,411,581	257,099	15.0%	38,565	LT capital gain rate.
Residence - Minnesota	7,000,000	6,079,895	920,105	15.0%	138,016	LT capital gain rate.
15823 50th - Plymouth	814,705	725,000	89,705	15.0%	13,456	LT capital gain rate.
T&M Properties	332,899	332,899	-	15.0%	-	
29402 Lilac Road, St. Joseph, MN	710,000	714,230	(4,230)	15.0%	(635)	
Land Deposits	200,000	200,000	-	15.0%	-	
Keystone Development Property	16,426,376	14,377,957	2,048,419	15.0%	307,263	
333 Vitoria - Florida	675,000	613,798	61,202	15.0%	9,180	
6565 Bldg 189 - Colorado	898,876	929,567	(30,691)	15.0%	(4,604)	
Jack Pine Road - Wisconsin	450,000	383,039	66,961	15.0%	10,044	
Tam O' Shanter Lodge, LLC, WI	1,104,134	1,104,134	-	15.0%	-	LT capital gain rate.
State Income Taxes @ 8.0%	-	-	-	-	59,967,756	LT capital gain rate.
	<u>\$ 1,089,973,319</u>	<u>\$ 340,376,372</u>	<u>\$ 749,596,947</u>		<u>\$ 172,646,728</u>	
<b>Cash</b>	\$ 6,459,382 (a)	\$ 6,459,382	-	0.0%	-	No tax effect.
<b>Automobiles/Watercraft</b>	\$ 196,649 (a)	\$ 196,649	-	0.0%	-	No tax effect.
<b>Escrow Deposits</b>	\$ 234,139 (a)	\$ 234,139	-	0.0%	-	No tax effect.
<b>Personal Effects</b>	\$ 750,000 (a)	\$ 750,000	-	0.0%	-	No tax effect.
<b>Total Assets</b>	<u>\$ 1,097,613,489</u>	<u>\$ 348,016,542</u>	<u>\$ 749,596,947</u>		<u>\$ 172,600,000</u>	
check	\$ 63,776,339					

(a) All other assets including cash, automobiles and personal effects assume that estimated current value is equal to their tax bases and therefore no tax effect.

CASH

BANK	ACCOUNT #	BALANCE	BALANCE
CASH ON HAND		\$ 200.00	\$ 200.00
CROWN	1051089	14,277.57	(93,119.97)
CROWN-Household		1,000.00	-
CROWN-Household		1,000.00	-
CROWN-Household		1,000.00	-
CROWN TJP FOUND	1501840	-	2,343.29
CROWN BANK	C/D	1,541,868.10	1,576,991.00
NORTHERN TRUST	OPERATING	136,061.18	11,603.19
NORTHERN TRUST	1710044886	7,322.23	(32,300.32)
FSB- St Joseph		(298.14)	-
US BANK	173103534355	4,423.83	8,835.42
CROWN MM	2500551	51,900.56	725,295.91
SCUDDER MM		820,075.72	382,127.12
PFGE REAL ESTATE		5,070.42	14,044.75
EAGLE CREST	CHECKING	2,516.47	664.65
EAGLE CREST	MONEY MARKET	101,904.88	18,593.76
		<u>2,686,322.82</u>	<u>2,615,278.70</u>

REAL ESTATE

VALUES PER REAL ESTATE TAX STATEMENTS PLUS 15% TO ARRIVE AT FMV OR IDENTIFIED AT COST

		Cost	Estimated FMV
1840 S Ocean Blvd	Florida	11,241,819	12,000,000
6565 Bldg 189	Settlers Creek CO	929,567	898,876
Residence	Breckenridge CO	1,411,581	2,000,000
15823 50th Ave	Plymouth	725,000	816,000
Jack Pine Rd	Wisconsin	383,039	300,353
Tam O'Shaunler	Wisconsin	1,104,134	1,073,142
333 Vitoria Ave	Florida	644,462	675,000
29402 Lilac Road	St Joseph, MN	714,230	725,000
		<u>17,153,832</u>	<u>18,488,371</u>

Notes Receivable/(Payable) - Related Parties

Minnesota Music Funding - related party	\$ 6,324,287	\$ 6,324,287	\$ -
MN Airlines, LLC	-	4,917,188	\$ (4,917,188)
Petters Co., Inc.	(80,905,169)	(89,079,752)	\$ (11,825,417)
Notes Payable - Private	(10,509,050)	(10,509,050)	\$ -
Petters Aviation LLC	-	327,500	\$ (327,500)
Petters Group WW	11,137,754	716,209	\$ 10,421,545
Petters Consumer Brands	<del>1,300,000</del>	1,300,000	\$ -
Polaroid Consumer Electronics	12,435,949	-	\$ 12,435,949
Supreme Gaming	150,000	-	\$ 150,000
T & M Properties	-	350,000	\$ (350,000)
Thomas Petters Inc.	-	(8,634,922)	\$ 8,634,922
Thomas Petters Inc.	31,281,501	24,059,619	\$ 7,221,882
	<u>\$ (28,784,727)</u>	<u>\$ (50,228,921)</u>	\$ 21,444,194

OTHER COMMENTS

LOCHE VALE IS DORMANT NO ASSETS.

NOTES RECEIVABLE - INDIVIDUALS

	2007	2006
DAVID LOCKHART	4,800	4,800
FRED JOHNSON	22,000	19,000
CATHERINE PETTERS	7,500	-
FRED PETTERS	100,000	100,000
IRWIN ROTENBERG	20,000	20,000
JAMIE WILCOX	1,250	-
JENNIFER NORBERG	7,500	-
MARK MILLER	-	150,000
Melissa Weaver	20,000	-
NIGEL MALLOCH	20,900	-
RICH MENCZYNSKI	-	150,000
RICH WOLBERT	600,000	600,000
HAWIND RECORDS	35,000	35,000
RON MUSICH	-	25,000
RUTH DANVERS	7,000	7,000
TED MONDALE	150,000	150,000
THEO BRASCH	20,000	-
A.J. DISCALA	500,000	500,000
THERESA WICKSTROM	15,000	15,000
THOMAS HAY	70,000	75,000
	<u>1,600,950</u>	<u>1,775,800</u>

CREDIT CARDS

American Express	237,418.39
Bank of America	2,717.50
BP Amoco	17.00
Chf Card	1,989.30
Continental	1,536.54
Discover	6,227.46
	<u>249,906.19</u>

**THOMAS J. PETTERS**  
**STATEMENT OF FINANCIAL CONDITION**  
December 31, 2007 and 2006

<b>ASSETS</b>	December 31, 2007	December 31, 2006
<b>Current Assets</b>		
Cash	2,688,323	\$ 2,615,279
Marketable securities (note 2)	26,685,085	26,580,550
Receivables	141,985	\$ -
Escrow deposits	254,260	194,711
Total current assets	29,769,653	29,390,540
<b>Other Assets</b>		
Notes receivable (note 3)	2,877,238	3,626,004
Investments - Non-related party securities (note 4)	17,597,873	17,053,623
Investments - Closely held businesses (note 5)	956,802,414	974,598,000
Real estate (note 6)	18,821,270	33,957,789
Personal residence (note 7)	7,000,000	6,900,000
Automobiles/Watercraft	834,962	745,275
Personal effects (including jewelry and other collectibles)	133,740	750,000
Total other assets	1,004,067,497	1,037,630,691
	<b>\$ 1,033,837,149</b>	<b>\$ 1,067,021,231</b>
 <b>LIABILITIES AND NET WORTH</b>		
<b>Liabilities</b>		
Revolving lines of credit - (note 8)	12,000,000	\$ 8,075,000
Accounts Payable	363,937	-
Accrued Other	275,000	-
Credit Cards	249,906	146,691
Notes payable - real estate (note 9)	1,674,817	10,458,081
Mortgage - personal residence (note 7)	946,500	938,520
Notes payable related parties and other, net	28,784,727	50,228,921
Contingent liabilities (note 10)		
	44,294,888	69,847,213
Estimated income taxes on the differences between the estimated current values of assets and the estimated current amounts of liabilities and their tax bases (note 11)	172,600,000	168,500,000
Net worth	816,942,262	828,674,018
	<b>\$ 1,033,837,149</b>	<b>\$ 1,067,021,231</b>

The accompanying notes are an integral part of this statement of financial condition.

612 741 3200

Phone #	Direction	Date	Time	Duration	Caller
9524743607	OUTGOING	09/24/08	9:49:00	0:00:43	White, Robert D
9522000939	OUTGOING	09/24/08	9:49:52	0:01:05	Coleman, Deanna
3202558700	INCOMING	09/24/08	11:59:47	0:01:08	Reicher, Diana (St. Cloud Times)
6127413200	OUTGOING	09/24/08	12:15:28	0:00:36	Petters, Thomas (Voicemail)
3106664670	INCOMING	09/24/08	14:15:32	0:00:35	Reynolds, Larry
6124927000	INCOMING	09/24/08	17:56:03	0:00:05	Fredrikson & Byron PA
5616240594	INCOMING	09/24/08	18:02:52	0:00:35	Palm Beach Capital Management
5616240594	INCOMING	09/24/08	18:04:19	0:00:53	Palm Beach Capital Management
9522001400	INCOMING	09/24/08	20:22:53	0:03:12	Hamm, Patty (cell)
3203567180	INCOMING	09/24/08	20:37:58	0:06:23	Petters, Fredrick & Rosemary
9522373556	INCOMING	09/24/08	22:49:25	0:03:35	White, Robert
6127413200	OUTGOING	09/24/08	22:49:27	0:03:35	Petters, Thomas (Voicemail)
9529349918	INCOMING	09/25/08	7:31:43	0:00:20	PGW Switchboard (Mtka, MN)
9529333830	INCOMING	09/25/08	10:49:45	0:01:39	PDJ Enterprises, LLC
6127413200	OUTGOING	09/25/08	13:48:44	0:00:52	Petters, Thomas (Voicemail)
9525443514	INCOMING	09/25/08	14:12:38	0:01:16	Kahn, R D
3106664670	INCOMING	09/25/08	15:48:46	0:00:51	Reynolds, Larry
9529349918	INCOMING	09/25/08	17:20:31	0:01:20	PGW Switchboard (Mtka, MN)
3203567180	INCOMING	09/25/08	18:53:53	0:02:17	Petters, Fredrick & Rosemary
6123396321	INCOMING	09/26/08	7:28:54	0:01:05	Felhaber Larson Fenlon & Vogt
9529349918	INCOMING	09/26/08	8:09:19	0:05:20	PGW Switchboard (Mtka, MN)
6123396321	INCOMING	09/26/08	11:57:23	0:01:09	Felhaber Larson Fenlon & Vogt
9529333830	INCOMING	09/26/08	14:39:19	0:00:10	PDJ Enterprises, LLC
2127159100	INCOMING	09/26/08	14:50:04	0:01:04	Kramer, Levin
9529333830	INCOMING	09/26/08	16:09:22	0:00:35	PDJ Enterprises, LLC
3203567180	INCOMING	09/26/08	19:02:46	0:04:41	Petters, Fredrick & Rosemary
9522706358	INCOMING	09/26/08	21:57:49	0:08:16	Lindstrom, Debbie (cell)
3203567180	INCOMING	09/27/08	9:36:10	0:07:34	Petters, Fredrick & Rosemary
9522373556	INCOMING	09/27/08	10:30:14	0:00:56	White, Robert
6127413200	OUTGOING	09/27/08	10:30:16	0:00:57	Petters, Thomas (Voicemail)
6127413200	OUTGOING	09/27/08	13:31:16	0:00:20	Petters, Thomas (Voicemail)
9522373556	INCOMING	09/27/08	13:33:41	0:00:54	White, Robert
6127413200	OUTGOING	09/27/08	13:33:43	0:00:54	Petters, Thomas (Voicemail)
3106664670	INCOMING	09/27/08	14:47:17	0:00:52	Reynolds, Larry
3106664670	INCOMING	09/27/08	15:31:19	0:00:18	Reynolds, Larry
9522373556	INCOMING	09/27/08	19:53:57	0:00:57	White, Robert
6127413200	OUTGOING	09/27/08	19:53:59	0:00:57	Petters, Thomas (Voicemail)
3203567180	INCOMING	09/27/08	20:11:36	0:01:30	Petters, Fredrick & Rosemary
9522373556	INCOMING	09/28/08	11:19:45	0:00:49	White, Robert
6127413200	OUTGOING	09/28/08	11:19:47	0:00:50	Petters, Thomas (Voicemail)
9522373556	INCOMING	09/28/08	14:53:23	0:00:28	White, Robert
6127413200	OUTGOING	09/28/08	14:53:25	0:00:29	Petters, Thomas (Voicemail)
9522373556	INCOMING	09/28/08	16:45:08	0:00:26	White, Robert
6127413200	OUTGOING	09/28/08	16:45:10	0:00:26	Petters, Thomas (Voicemail)
3203567180	INCOMING	09/28/08	18:10:37	0:02:54	Petters, Fredrick & Rosemary
3203567180	INCOMING	09/29/08	10:03:42	0:01:31	Petters, Fredrick & Rosemary
6127413200	OUTGOING	09/29/08	12:59:16	0:06:53	Petters, Thomas (Voicemail)
6127413200	OUTGOING	09/29/08	13:23:53	0:04:46	Petters, Thomas (Voicemail)
6127413200	OUTGOING	09/29/08	14:23:35	0:01:10	Petters, Thomas (Voicemail)
3203567180	INCOMING	09/29/08	14:44:32	0:07:10	Petters, Fredrick & Rosemary
9522373556	INCOMING	09/29/08	14:58:23	0:00:48	White, Robert

6127413200	OUTGOING	09/29/08	14:58:25	0:00:49	Petters, Thomas (Voicemail)
3106664670	INCOMING	09/29/08	14:59:18	0:06:53	Reynolds, Larry
3106664670	INCOMING	09/29/08	15:23:56	0:04:45	Reynolds, Larry
9522373556	INCOMING	09/29/08	16:21:16	0:00:53	White, Robert
6127413200	OUTGOING	09/29/08	16:21:18	0:00:53	Petters, Thomas (Voicemail)
3106664670	INCOMING	09/29/08	16:23:37	0:01:09	Reynolds, Larry
9522373556	INCOMING	09/30/08	8:23:08	0:00:44	White, Robert
9522373556	INCOMING	09/30/08	9:23:35	0:00:45	White, Robert
6127413200	OUTGOING	09/30/08	10:43:34	0:01:20	Petters, Thomas (Voicemail)
6127413200	OUTGOING	09/30/08	12:36:05	0:00:05	Petters, Thomas (Voicemail)
3106664670	INCOMING	09/30/08	12:43:36	0:01:19	Reynolds, Larry
6127413200	OUTGOING	09/30/08	13:34:19	0:00:07	Petters, Thomas (Voicemail)
3106664670	INCOMING	09/30/08	14:36:08	0:00:04	Reynolds, Larry
3106664670	INCOMING	09/30/08	15:34:22	0:00:05	Reynolds, Larry
9522373556	INCOMING	09/30/08	16:26:43	0:00:43	White, Robert
9522373556	INCOMING	09/30/08	18:14:24	0:00:46	White, Robert
9522373556	INCOMING	09/30/08	19:02:47	0:00:50	White, Robert
9522373556	INCOMING	09/30/08	21:03:55	0:00:45	White, Robert
3106664670	INCOMING	09/30/08	21:24:49	0:00:31	Reynolds, Larry
3106664670	INCOMING	09/30/08	21:27:54	0:00:49	Reynolds, Larry
3106664670	INCOMING	09/30/08	21:50:22	0:00:44	Reynolds, Larry
3106664670	INCOMING	09/30/08	21:52:20	0:00:44	Reynolds, Larry
3106664670	INCOMING	09/30/08	21:53:13	0:01:02	Reynolds, Larry
3106664670	INCOMING	10/01/08	10:50:49	0:09:28	Reynolds, Larry
3106664670	INCOMING	10/01/08	11:49:01	0:01:27	Reynolds, Larry
3106664670	INCOMING	10/01/08	12:08:30	0:00:29	Reynolds, Larry
3106664670	INCOMING	10/01/08	12:38:15	0:00:54	Reynolds, Larry
3106664670	INCOMING	10/01/08	14:42:33	0:00:30	Reynolds, Larry
3106664670	INCOMING	10/01/08	15:39:36	0:11:35	Reynolds, Larry
3106664670	INCOMING	10/01/08	15:51:29	0:05:24	Reynolds, Larry
3106664670	INCOMING	10/01/08	16:12:44	0:00:52	Reynolds, Larry
3106664670	INCOMING	10/01/08	16:17:55	0:00:20	Reynolds, Larry
3106664670	INCOMING	10/01/08	16:33:09	0:00:04	Reynolds, Larry
3106664670	INCOMING	10/01/08	16:40:08	0:00:54	Reynolds, Larry
9522373556	INCOMING	10/01/08	20:53:20	0:20:57	White, Robert
9529349918	INCOMING	10/02/08	9:57:33	0:03:51	PGW Switchboard (Mtka, MN)
6122018788	INCOMING	10/02/08	10:15:22	0:03:30	Hay, Tom (PCI Atty)
6122018788	INCOMING	10/02/08	12:54:40	0:12:55	Hay, Tom (PCI Atty)
6122018788	INCOMING	10/02/08	18:13:23	0:09:46	Hay, Tom (PCI Atty)

310 666 4670 Reynolds

Phone #	Direction	Date	Time	Duration	Caller
7026937111	OUTGOING	09/24/08	8:00:34	0:08:38	Bellagio Hotel & Casino
7026937111	OUTGOING	09/24/08	9:41:21	0:01:38	Bellagio Hotel & Casino
8188870700	INCOMING	09/24/08	9:42:31	0:00:22	Asherian, Eshan
8188870700	INCOMING	09/24/08	9:42:32	0:00:21	Asherian, Eshan
8188870700	INCOMING	09/24/08	9:42:52	0:00:01	Asherian, Eshan
8188870700	INCOMING	09/24/08	9:42:53	0:00:25	Asherian, Eshan
9522000939	OUTGOING	09/24/08	11:50:21	0:00:50	Coleman, Deanna
6127413200	OUTGOING	09/24/08	12:15:28	0:00:36	Petters, Thomas
9522000939	OUTGOING	09/24/08	12:24:59	0:00:21	Coleman, Deanna
3106664670	INCOMING	09/24/08	14:15:32	0:00:35	Reynolds, Larry (Voicemail)
9522000939	OUTGOING	09/24/08	14:16:39	0:00:24	Coleman, Deanna
7634987350	OUTGOING	09/24/08	14:17:20	0:00:33	Brown, Glenn P
3105521776	INCOMING	09/24/08	14:57:49	0:01:34	First Regional Bank
3105521776	INCOMING	09/24/08	14:57:53	0:01:31	First Regional Bank
8188870700	INCOMING	09/24/08	15:22:10	0:00:57	Asherian, Eshan
8188870700	INCOMING	09/24/08	15:22:12	0:00:56	Asherian, Eshan
9529349918	OUTGOING	09/24/08	15:29:04	0:00:23	PGW Switchboard (Mtk, MN)
8188870700	INCOMING	09/24/08	15:29:11	0:00:24	Asherian, Eshan
8188870700	INCOMING	09/24/08	15:29:11	0:00:00	Asherian, Eshan
8188870700	INCOMING	09/24/08	15:29:11	0:00:01	Asherian, Eshan
9522000939	OUTGOING	09/24/08	15:30:04	0:00:50	Coleman, Deanna
6128591567	OUTGOING	09/24/08	16:58:06	0:00:00	Petters, Thomas (Blackberry)
9522000939	OUTGOING	09/24/08	18:00:42	0:00:01	Coleman, Deanna
7634987350	OUTGOING	09/24/08	18:01:02	0:00:37	Brown, Glenn P
9522000939	OUTGOING	09/24/08	18:01:46	0:06:02	Coleman, Deanna
3104703910	OUTGOING	09/24/08	19:02:21	0:00:10	Fortunat, Pascale M
6128591567	INCOMING	09/24/08	21:04:15	0:26:42	Petters, Thomas (Blackberry)
9529349918	OUTGOING	09/25/08	7:53:33	0:03:08	PGW Switchboard (Mtk, MN)
8188870700	INCOMING	09/25/08	9:17:00	0:05:07	Asherian, Eshan
8188870700	INCOMING	09/25/08	9:17:10	0:04:58	Asherian, Eshan
6127413200	OUTGOING	09/25/08	13:48:44	0:00:52	Petters, Thomas
8188870700	INCOMING	09/25/08	14:00:39	0:03:03	Asherian, Eshan
8188870700	INCOMING	09/25/08	14:00:41	0:03:02	Asherian, Eshan
8188870700	INCOMING	09/25/08	14:06:39	0:00:20	Asherian, Eshan
8188870700	INCOMING	09/25/08	14:06:59	0:00:08	Asherian, Eshan
8188870700	INCOMING	09/25/08	14:07:00	0:00:00	Asherian, Eshan
8188870700	INCOMING	09/25/08	14:07:16	0:00:20	Asherian, Eshan
8188870700	INCOMING	09/25/08	14:07:36	0:00:31	Asherian, Eshan
8188870700	INCOMING	09/25/08	14:07:36	0:00:01	Asherian, Eshan
8188870700	INCOMING	09/25/08	14:43:41	0:05:47	Asherian, Eshan
8188870700	INCOMING	09/25/08	14:43:44	0:05:46	Asherian, Eshan
8188870700	INCOMING	09/25/08	15:00:56	0:01:12	Asherian, Eshan
8188870700	INCOMING	09/25/08	15:00:59	0:01:11	Asherian, Eshan
3106664670	INCOMING	09/25/08	15:48:46	0:00:51	Reynolds, Larry (Voicemail)
6128591567	OUTGOING	09/25/08	19:16:16	0:00:51	Petters, Thomas (Blackberry)
8188870700	INCOMING	09/26/08	7:58:51	0:02:22	Asherian, Eshan
8188870700	INCOMING	09/26/08	7:58:54	0:02:20	Asherian, Eshan
8188870700	INCOMING	09/26/08	8:30:52	0:01:40	Asherian, Eshan
8188870700	INCOMING	09/26/08	8:30:55	0:01:38	Asherian, Eshan
8188870700	INCOMING	09/26/08	8:44:24	0:00:33	Asherian, Eshan
8188870700	INCOMING	09/26/08	8:44:28	0:00:30	Asherian, Eshan

6128591567	INCOMING	09/26/08	8:58:46	0:10:56	Petters, Thomas (Blackberry)
8188870700	INCOMING	09/26/08	9:32:16	0:01:22	Asherian, Eshan
8188870700	INCOMING	09/26/08	9:32:19	0:01:20	Asherian, Eshan
8188870700	INCOMING	09/26/08	10:03:10	0:02:00	Asherian, Eshan
8188870700	INCOMING	09/26/08	10:03:13	0:01:58	Asherian, Eshan
5612022952	INCOMING	09/26/08	12:32:09	0:13:36	Petters Group
5612022952	INCOMING	09/26/08	12:32:11	0:13:36	Petters Group
5612022952	INCOMING	09/26/08	13:17:34	0:06:49	Petters Group
5612022952	INCOMING	09/26/08	13:17:39	0:06:46	Petters Group
7026173420	INCOMING	09/26/08	14:08:53	0:01:10	European & Foreign Imports, Inc.
7026173420	INCOMING	09/26/08	14:08:57	0:01:06	European & Foreign Imports, Inc.
6128591567	OUTGOING	09/27/08	12:46:05	0:00:52	Petters, Thomas (Blackberry)
6127413200	OUTGOING	09/27/08	13:31:16	0:00:20	Petters, Thomas
6128591567	INCOMING	09/27/08	13:45:06	0:12:24	Petters, Thomas (Blackberry)
3106664670	INCOMING	09/27/08	14:47:17	0:00:52	Reynolds, Larry (Voicemail)
3106664670	INCOMING	09/27/08	15:31:19	0:00:18	Reynolds, Larry (Voicemail)
6128591567	INCOMING	09/27/08	15:48:02	0:23:16	Petters, Thomas (Blackberry)
6128591567	OUTGOING	09/28/08	14:13:05	0:08:34	Petters, Thomas (Blackberry)
6128591567	OUTGOING	09/28/08	14:22:37	0:00:00	Petters, Thomas (Blackberry)
6128591567	OUTGOING	09/28/08	14:22:56	0:00:27	Petters, Thomas (Blackberry)
2103405121	INCOMING	09/29/08	9:56:51	0:01:42	Wachovia Offices
2103405121	INCOMING	09/29/08	9:56:54	0:01:40	Wachovia Offices
2103405121	INCOMING	09/29/08	10:11:24	0:00:57	Wachovia Offices
2103405121	INCOMING	09/29/08	10:11:34	0:00:48	Wachovia Offices
8188870700	INCOMING	09/29/08	11:01:12	0:02:34	Asherian, Eshan
8188870700	INCOMING	09/29/08	11:01:15	0:02:32	Asherian, Eshan
8188870700	INCOMING	09/29/08	11:14:21	0:01:18	Asherian, Eshan
8188870700	INCOMING	09/29/08	11:14:24	0:01:16	Asherian, Eshan
2103405121	INCOMING	09/29/08	11:15:56	0:04:11	Wachovia Offices
2103405121	INCOMING	09/29/08	11:15:59	0:04:09	Wachovia Offices
8188870700	INCOMING	09/29/08	11:53:10	0:01:10	Asherian, Eshan
8188870700	INCOMING	09/29/08	11:53:13	0:01:08	Asherian, Eshan
2103405121	INCOMING	09/29/08	12:52:52	0:05:58	Wachovia Offices
2103405121	INCOMING	09/29/08	12:52:55	0:05:56	Wachovia Offices
6127413200	OUTGOING	09/29/08	12:59:16	0:06:53	Petters, Thomas
6127413200	OUTGOING	09/29/08	13:23:53	0:04:46	Petters, Thomas
6127413200	OUTGOING	09/29/08	14:23:35	0:01:10	Petters, Thomas
3106664670	INCOMING	09/29/08	14:59:18	0:06:53	Reynolds, Larry (Voicemail)
3106664670	INCOMING	09/29/08	15:23:56	0:04:45	Reynolds, Larry (Voicemail)
3106664670	INCOMING	09/29/08	16:23:37	0:01:09	Reynolds, Larry (Voicemail)
2103405121	INCOMING	09/30/08	6:51:55	0:00:25	Wachovia Offices
2103405121	INCOMING	09/30/08	6:51:59	0:00:21	Wachovia Offices
2103405121	INCOMING	09/30/08	6:52:19	0:00:04	Wachovia Offices
2103405121	OUTGOING	09/30/08	6:55:49	0:06:28	Wachovia Offices
9529349918	OUTGOING	09/30/08	8:27:43	0:00:34	PGW Switchboard (Mika, MN)
9529349918	OUTGOING	09/30/08	9:34:16	0:01:09	PGW Switchboard (Mika, MN)
9529349918	OUTGOING	09/30/08	10:35:25	0:02:44	PGW Switchboard (Mika, MN)
6127413200	OUTGOING	09/30/08	10:43:34	0:01:20	Petters, Thomas
2103405121	OUTGOING	09/30/08	12:19:20	0:06:04	Wachovia Offices
9529349918	OUTGOING	09/30/08	12:32:10	0:03:49	PGW Switchboard (Mika, MN)
6127413200	OUTGOING	09/30/08	12:36:05	0:00:05	Petters, Thomas
3106664670	INCOMING	09/30/08	12:43:36	0:01:19	Reynolds, Larry (Voicemail)

2103405121	INCOMING	09/30/08	12:45:15	0:02:20	Wachovia Offices
2103405121	INCOMING	09/30/08	12:45:19	0:02:18	Wachovia Offices
6127413200	OUTGOING	09/30/08	13:34:19	0:00:07	Petters, Thomas
3106664670	INCOMING	09/30/08	14:36:08	0:00:04	Reynolds, Larry (Voicemail)
3106664670	INCOMING	09/30/08	15:34:22	0:00:05	Reynolds, Larry (Voicemail)
6127413200	OUTGOING	09/30/08	21:24:49	0:00:31	Petters, Thomas
6127413200	OUTGOING	09/30/08	21:27:54	0:00:49	Petters, Thomas
6127413200	OUTGOING	09/30/08	21:50:22	0:00:44	Petters, Thomas
6127413200	OUTGOING	09/30/08	21:52:20	0:00:45	Petters, Thomas
6127413200	OUTGOING	09/30/08	21:53:13	0:01:03	Petters, Thomas
6128591567	INCOMING	10/01/08	7:14:59	0:03:24	Petters, Thomas (Blackberry)
9522706358	INCOMING	10/01/08	9:02:33	0:00:29	Lindstrom, Debbie (cell)
9522706358	INCOMING	10/01/08	9:03:02	0:00:50	Lindstrom, Debbie (cell)
9522706358	INCOMING	10/01/08	9:14:15	0:02:09	Lindstrom, Debbie (cell)
6128591567	INCOMING	10/01/08	9:15:00	0:03:21	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/01/08	9:44:25	0:04:03	Petters, Thomas (Blackberry)
9529349918	INCOMING	10/01/08	9:47:09	0:01:24	PGW Switchboard (Mtk, MN)
2103405121	INCOMING	10/01/08	9:54:31	0:01:57	Wachovia Offices
6128591567	INCOMING	10/01/08	10:40:39	0:01:53	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/01/08	10:45:51	0:00:50	Petters, Thomas (Blackberry)
6127413200	OUTGOING	10/01/08	10:50:49	0:09:29	Petters, Thomas
6128591567	INCOMING	10/01/08	11:00:19	0:00:22	Petters, Thomas (Blackberry)
9522706358	OUTGOING	10/01/08	11:00:37	0:01:01	Lindstrom, Debbie (cell)
6128591567	INCOMING	10/01/08	11:00:41	0:00:22	Petters, Thomas (Blackberry)
9522706358	OUTGOING	10/01/08	11:01:54	0:00:05	Lindstrom, Debbie (cell)
9522706358	INCOMING	10/01/08	11:02:59	0:00:01	Lindstrom, Debbie (cell)
9529349918	OUTGOING	10/01/08	11:04:26	0:02:34	PGW Switchboard (Mtk, MN)
9522706358	OUTGOING	10/01/08	11:07:37	0:01:00	Lindstrom, Debbie (cell)
9522706358	OUTGOING	10/01/08	11:12:45	0:00:59	Lindstrom, Debbie (cell)
9522706358	INCOMING	10/01/08	11:14:16	0:02:06	Lindstrom, Debbie (cell)
8188870700	INCOMING	10/01/08	11:14:47	0:02:39	Asherian, Eshan
6128591567	OUTGOING	10/01/08	11:16:29	0:00:55	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/01/08	11:24:58	0:07:02	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/01/08	11:26:24	0:00:28	Petters, Thomas (Blackberry)
9522706358	OUTGOING	10/01/08	11:37:55	0:00:59	Lindstrom, Debbie (cell)
9529349918	OUTGOING	10/01/08	11:39:47	0:02:46	PGW Switchboard (Mtk, MN)
6128591567	INCOMING	10/01/08	11:44:26	0:04:01	Petters, Thomas (Blackberry)
9529349918	INCOMING	10/01/08	11:47:08	0:01:23	PGW Switchboard (Mtk, MN)
6127413200	OUTGOING	10/01/08	11:49:01	0:01:27	Petters, Thomas
6127413200	OUTGOING	10/01/08	12:08:30	0:00:29	Petters, Thomas
8188870700	INCOMING	10/01/08	12:19:29	0:03:38	Asherian, Eshan
6127413200	OUTGOING	10/01/08	12:38:15	0:00:55	Petters, Thomas
6128591567	INCOMING	10/01/08	12:40:40	0:01:50	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/01/08	13:00:18	0:00:21	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/01/08	13:00:39	0:00:00	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/01/08	13:00:53	0:00:33	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/01/08	13:01:42	0:00:19	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/01/08	13:02:51	0:00:00	Petters, Thomas (Blackberry)
8188870700	INCOMING	10/01/08	13:14:45	0:02:39	Asherian, Eshan
6128591567	INCOMING	10/01/08	13:24:57	0:07:01	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/01/08	13:39:17	0:00:19	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/01/08	13:39:36	0:01:10	Petters, Thomas (Blackberry)

8188870700	INCOMING	10/01/08	14:19:29	0:03:37	Asherian, Eshan
6127413200	OUTGOING	10/01/08	14:42:33	0:00:30	Petters, Thomas
6128591567	INCOMING	10/01/08	14:53:26	0:23:56	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/01/08	15:39:34	0:00:00	Petters, Thomas (Blackberry)
6127413200	OUTGOING	10/01/08	15:39:36	0:11:36	Petters, Thomas
6127413200	OUTGOING	10/01/08	15:51:29	0:05:24	Petters, Thomas
6127413200	OUTGOING	10/01/08	16:12:44	0:00:52	Petters, Thomas
6127413200	OUTGOING	10/01/08	16:17:55	0:00:20	Petters, Thomas
6129989900	OUTGOING	10/01/08	16:24:57	0:04:31	Salmen, Jay (Petters Aviation cell)
6127413200	OUTGOING	10/01/08	16:33:09	0:00:05	Petters, Thomas
6127413200	OUTGOING	10/01/08	16:40:08	0:00:54	Petters, Thomas
6128591567	INCOMING	10/01/08	16:53:28	0:23:53	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/01/08	20:32:44	0:13:43	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/01/08	22:32:44	0:13:42	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/02/08	8:21:44	0:00:47	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/02/08	8:25:48	0:00:01	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/02/08	9:18:37	0:01:09	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/02/08	9:46:13	0:15:10	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/02/08	10:08:52	0:00:29	Petters, Thomas (Blackberry)
8188870700	INCOMING	10/02/08	10:10:37	0:00:01	Asherian, Eshan
8188870700	INCOMING	10/02/08	10:10:38	0:00:28	Asherian, Eshan
8188870700	INCOMING	10/02/08	12:10:41	0:00:00	Asherian, Eshan
8188870700	INCOMING	10/02/08	12:20:02	0:02:09	Asherian, Eshan
6128591567	OUTGOING	10/02/08	12:50:04	0:00:49	Petters, Thomas (Blackberry)
8188870700	INCOMING	10/02/08	12:53:07	0:01:17	Asherian, Eshan
6128591567	OUTGOING	10/02/08	13:10:22	0:03:38	Petters, Thomas (Blackberry)
8188870700	INCOMING	10/02/08	14:20:06	0:02:08	Asherian, Eshan
6129989900	OUTGOING	10/02/08	14:44:41	0:01:44	Salmen, Jay (Petters Aviation cell)
8188870700	INCOMING	10/02/08	14:53:11	0:01:16	Asherian, Eshan
6129989900	INCOMING	10/02/08	15:44:57	0:00:43	Salmen, Jay (Petters Aviation cell)
6128591567	INCOMING	10/02/08	15:45:03	0:00:01	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/02/08	15:45:04	0:00:18	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/02/08	15:45:32	0:00:57	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/02/08	16:23:44	0:00:34	Petters, Thomas (Blackberry)
6128591567	OUTGOING	10/02/08	16:52:37	0:01:35	Petters, Thomas (Blackberry)
6129989900	OUTGOING	10/02/08	17:29:27	0:00:04	Salmen, Jay (Petters Aviation cell)
6129989900	OUTGOING	10/02/08	17:29:37	0:00:03	Salmen, Jay (Petters Aviation cell)
6129989900	OUTGOING	10/02/08	17:33:34	0:02:24	Salmen, Jay (Petters Aviation cell)
6129989900	INCOMING	10/02/08	17:44:57	0:00:42	Salmen, Jay (Petters Aviation cell)
6128591567	INCOMING	10/02/08	17:45:02	0:00:00	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/02/08	17:45:30	0:00:57	Petters, Thomas (Blackberry)
6129989900	OUTGOING	10/02/08	17:46:43	0:09:20	Salmen, Jay (Petters Aviation cell)
6128591567	OUTGOING	10/02/08	18:11:33	0:00:43	Petters, Thomas (Blackberry)
6128591567	INCOMING	10/02/08	18:23:45	0:00:31	Petters, Thomas (Blackberry)
6129989900	OUTGOING	10/02/08	20:35:56	0:00:00	Salmen, Jay (Petters Aviation cell)
6128591567	OUTGOING	10/02/08	20:51:01	0:00:13	Petters, Thomas (Blackberry)

10/1/08  
8:55 pm

This is Special Agent Tim Bisswurm (BISSWURM), Minneapolis FBI. Today's date is October 1, 2008. Time is approximately 8:55 pm. Robert White (WHITE) will be making a consensual telephone call to Tom Petters (PETTERS) at telephone number 612-741-3200.

(Pause) (Ringing)

PETTERS: Hey man.

WHITE: Hey Thomas.

PETTERS: How you doing?

WHITE: Ah, better days, as always. I guess um...

PETTERS: What?

WHITE: I've had better days. Hey, ah, I'm trying to talk Robyn into what we were talking about.

PETTERS: Yeah.

WHITE: Yeah. Do you think it really has to be by this weekend? I..that's hard to get her mind around that this fast.

PETTERS: Oh. Um...I'll know tomorrow morning (UI) cannot tell Joe Freidberg I said that.

WHITE: Yeah. I know. You said that, yeah.

PETTERS: Well, here's...she doesn't have to be with this weekend. Ahh I don't know...

WHITE: No, but...

PETTERS: I mean...

WHITE: Okay.

PETTERS: I mean, you know what...

WHITE: No, what I'm...

PETTERS: Let me put to you



(Silence)

PETTERS: Did you find your passport?

WHITE: Yeah, yeah.

PETTERS: Good.

WHITE: So.

PETTERS: Anyway ahhh, you know, the reason I spoke you about. I don't want that to happen.

WHITE: Yeah. I understand.

PETTERS: And I wish that ahh...if I'm not...if you're not recording my call, which I assume you're not.

WHITE: But, Tom, what uhm...

PETTERS: What?

WHITE: Oh, I'm just..I.I.I'm trying to figure out whether I, whether I gotta do something immediately, or whether I have, whether...

PETTERS: (UI) I'm saying it'll be Monday when it happens.

WHITE: Yeah.

PETTERS: I mean I...I mean, uh...

WHITE: You...you'll...yer...you can know better tomorrow, maybe. And...

PETTERS: Yeah.

WHITE: 'cause... 'cause if I'm trying to get...

PETTERS: But there's stuff...I don't want to talk about it on the phone really because I don't, Bob, ya know, everything I...we say..ah..I'll...did your lawyer tell you that they can hear on telephones?

WHITE: I don't have any idea. I didn't...I didn't ask him about that.

PETTERS: Well, they say that digital scrambles. Not to use your

home phone.

WHITE: Well, I'm using...I'm using my cell phone. That's what I always use.

PETTERS: Yeah, yeah. Ahm...ahh.

WHITE: Hey, what's...Do you think, um, Larry would have any advice? Ahh, you know (UI) Um, I mean as to how to..how to cope and how to function...is there anything that would be...if I went.

PETTERS: Pardon me. Anything that would be what?

WHITE: I'm just wandering if Larry would, if Larry would be helpful to talk to.

PETTERS: You mean about, ahh, how to function hidden?

WHITE: Yeah.

PETTERS: Prison. In prison?

WHITE: No no no no no no.

PETTERS: Out of the country?

WHITE: Yeah.

PETTERS: Or out of the country?

WHITE: Yeah.

PETTERS: Yeah. I think that ahh I think that he'd be plenty ah helpful.

WHITE: Okay. You'd...

PETTERS: Nah. You know. Ah, ah, ah, I don't want you to tell him that I said that that's what he's planning.

WHITE: No, I'm not gonna do that, but I was just wondering if I...went...He's over...He's at the Marriot. I was wondering if I went over there tomorrow or something and tried to look him up and talk to him a little bit.

PETTERS: No, I think it's a good idea.

WHITE: Okay.

PETTERS: And I think that, um, you know, here's the end of the day. I mean, you take a vacation, it doesn't happen. It doesn't happen.

WHITE: Yup. Yeah. I get it.

PETTERS: But if you're here and it happens, (UI) you get knocking down your door and you're not there,

WHITE: Yeah.

PETTERS: ...they'll know.

WHITE: Yeah.

PETTERS: I mean, you're not, there's no law against you taking a vacation. There's no law against me either.

WHITE: No no. I understand.

PETTERS: The only difference between me and you (UI) get outta the country.

WHITE: Yeah.

PETTERS: I mean, people are telling me...you can buy stuff on the web, you know.

WHITE: Yeah.

PETTERS: Is that true?

WHITE: I don't know. F█████...I don't know how to do that. That's for sure.

PETTERS: Driver's licenses on the web.

WHITE: I'm sure you

PETTERS: (UI)

WHITE: can get driver's licenses, but I don't know what good that does ya. Ya know? So.

PETTERS: I have one of those.

WHITE: Yeah. Ahh...

PETTERS: Ahh...well, listen. Here's, here's the deal.

WHITE: Well, I'm...

PETTERS: First of all, first of all. Let me just tell you this. You somehow, you gotta, wh...I don't know what you said, but, ah, ah, ah, you gotta get..(UI)..Here's what I'm afraid of with her.

WHITE: Yeah.

PETTERS: That they were getting so mad, that she goes in there makes it worse.

WHITE: Yeah.

PETTERS: And you gotta get her to believe that we were not, either one of us, weren't laundering money. And that (UI) tied to the hip. And we had Deanna telling us shit, and that I'm not what they're making me out to be. Because what I will do in the event that happens, I will, ahh, you know, but, then, I mean, f[REDACTED] you don't know how I wish I hadn't given up my passport.

WHITE: Yeah.

PETTERS: (Sighs) I just been reading about people who, like Rich, who went away and made a deal.

WHITE: Yeah.

PETTERS: It's much easier (UI) that's a whole other situation.

WHITE: Yeah. I get it.

PETTERS: You know what I mean?

WHITE: Yeah. Yeah.

PETTERS: Hang on one second. Hang on one second.

WHITE: Okay. All right.

(Silence)

PETTERS: Hey, Bob?

WHITE: Yeah.

PETTERS: Ahm. One of the things that I'll tell you...

WHITE: Um hum?

PETTERS: Ahh, that, ahh ahhh ahhhm...I got a funny feeling that...if I go to jail and do a certain deal...

WHITE: Yeah.

PETTERS: You know, they're not gonna give either one of us a deal.

WHITE: I don't know.

PETTERS: Well, so...

WHITE: I'm, I'm scared as could be, Tom. So I don't know.

PETTERS: Well, so, what I'm saying is if you were...here or not I'm still gonna get hit as hard.

WHITE: Um hum.

PETTERS: Ahm. You know, it's not going to change my deal. Ha. It's only gonna make it worse. But it's only gonna make, I just don't, I just can't, I can't look at you I wish I could talk about what Wehmhoff the same way I'm talking to you. But I can't imagine Wehmhoff serving time right now. I just, I just really want to help him.

WHITE: Yeah.

PETTERS: I can't imagine me. But I, I, I, I got 15, 16 years on you that I could, you know...

WHITE: Yeah. Yeah, I don't, I don't think I'd make it through it.

PETTERS: What?

WHITE: I don't think I'd live through it.

PETTERS: No, I mean, that's why...it's gotta be, ah, pretty easy decision for Robyn.

WHITE: Yeah.

PETTERS: Say, when I talked with Tracy about it tonight.

WHITE: Yeah.

PETTERS: She goes, "As long as we have our kids, we can do anything. We can start over and do anything." She can have a new life and she can just arrange to come over...somewhere else.

WHITE: Um hum.

PETTERS: ...and have someone else be a diplomat. And we have immunity.

WHITE: Yeah. Yeah. That, I don't know...

PETTERS: Yeah

WHITE: That...you know, I don't know what the possibilities are. I have no frickin' idea how it works.

PETTERS: Well, I do. I'm studying (UI) behavior. Google Mark Rich.

WHITE: Google who?

PETTERS: Mark. Rich.

WHITE: Mark Rich, okay.

PETTERS: Rich.

WHITE: Rich, like R-I-C-H?

PETTERS: And no one ever said that he had, um, he was, he was indicted for securities fraud...

WHITE: Um hum.

PETTERS: Okay.

WHITE: Yeah.

PETTERS: And he was going to do 20 years, 25 years, something like that. And the Bush Administration was in office. He gave a whole bunch of money, like...

WHITE: Hm.

PETTERS: ...and it's, I think Governor...or, I don't what Governor or when he was running...and it didn't do any good the first term. The second term, I can't remember...

WHITE: Oh, when...

PETTERS: (UI)

WHITE: ...when...when everybody was...when he did the whole bunch of things when, when he was leaving office.

PETTERS: When he what?

WHITE: When he gave a whole bunch of immunities or whatever, whatever the word is.

PETTERS: A pardon. I think.

WHITE: When he was leaving office, the last second.

PETTERS: Yeah, it was Mark Rich's wife that was staying with him at the White House that whole time.

WHITE: Oh. yeah.

PETTERS: Ah, if Robyn wants to stay with the President some nights (UI).

WHITE: Yeah. Yeah.

PETTERS: What I'm trying to say is she went in there and begged him to do it.

WHITE: Um hum.

PETTERS: And...he pardoned him a number, quite a few years, but ah. And then he said, "I don't want (UI). I just want him to be. So you know, we've helped a lot of people."

WHITE: Yeah.

PETTERS: You don't know, but Oberstar's called me. Klobachar's called me. Ramstad's called me. Norm hasn't called me. Ah, Al Franken called me. He hasn't won, I don't think he will, I wish he would.

WHITE: Yeah, I like Al.

PETTERS: You don't?

WHITE: I like Al. Yeah, I'm going to vote for him.

PETTERS: Yeah. Is the race a dead heat?

WHITE: Yeah, I think so.

PETTERS: Kay.

WHITE: I think so. But, the, oh, the move towards Obama might help him.

PETTERS: What?

WHITE: The mov...the, there's a switch going towards Obama. Uh...

PETTERS: There is?

WHITE: Yeah. The other, the states where they've done polling earlier show a widening gap towards Obama. So, maybe there's hope.

PETTERS: What did, what did...My Mom said Palin did something and really screwed up yesterday.

WHITE: I don't know. I don't know what happened.

PETTERS: Or there was some shift and they thought something, there was, she was on MPR and something happened and they thought Palin lost a lot of ground or something. (UI)

WHITE: I don't know, I, I'm she's been making...

PETTERS: The vice presidential debate's tomorrow night, isn't it?

WHITE: Yep. Tomorrow night.

PETTERS: Or Thursday night.

WHITE: Thursday night, so we watch. Yep.

PETTERS: Is today Wednesday or Tuesday or what?

WHITE: I'm not sure, Tom, whether it's Wednesday or Tuesday.

I'm sitting, I'm sitting, the kids are crying.

PETTERS: What?

WHITE: I, I, I'm doing sitting and the kids are making some fusses and stuff.

PETTERS: I, I can't hear you.

WHITE: I'm, um, I, I'm, I, I'm, ah, baby sitting and the kids are making a fuss.

PETTERS: Where's Robyn?

WHITE: She ran to some meeting for the Blake School.

PETTERS: So, when you told her the idea, what did she say, no way or what?

WHITE: Oh, she's not very excited about it. She's saying I can't take the kids on the run, you know. I mean, she can't do that. That's what her reaction is. She's saying, "I'll forgive you if you do it, but, you know, if you want to go be alone, but I can't, I can't ah I can't do that to my kids." And, yeah. I don't, for me leaving without her, I don't know, it's a real, that's a very unpleasant choice for me.

PETTERS: Yeah.

WHITE: Ya know.

PETTERS: So, so, so, so she knows that you won't be around for a long time. Did she say she was still going to be with you?

WHITE: I don't know what she would do. I mean, the conversation was kind of short.

PETTERS: I mean, what, how old are the kids?

WHITE: Six and eight.

PETTERS: Like, dog gone, it's not like you're ripping them out of high school.

WHITE: No, no, they're not up at the high school, that's for sure. But...

PETTERS: But, what, I mean, what you need to do is you need to look on the computer and find, look up that word I told you.

WHITE: Yep.

PETTERS: Right now, and say and say where they have treaties and no treaties.

WHITE: Yeah.

PETTERS: And, just start looking. They're all over, everywhere.

WHITE: Okay.

PETTERS: And then, you need to find a place where you'd get, uh,

WHITE: Yeah.

PETTERS: Somebody that'll...not be...ya know, somebody like Rosco that would send you some dough and or, or, or whatever your son and somebody else would send him.

WHITE: Yeah, okay.

PETTERS: And that's how you do it.

WHITE: Yeah. I...

PETTERS: There you go. I, I'm not a pro on it. I never did it, but I've been reading about it.

WHITE: Yeah.

PETTERS: Millions have been done (UI) happened to me in Colorado (UI) you know, I hid out in Wisconsin for three, four weeks until I got a deal with the people in Colorado and then I came back and turned myself in.

WHITE: Yeah.

PETTERS: And, uh, (sighs) 'cause I didn't have it (UI) and that was for a \$75,000 deal.

WHITE: Yeah. Okay. Well, I'm going to, I'll look on the internet and see what I can learn and um, uh...

PETTERS: You know what, though? I mean, relax, Bob, because ah

the way I look at it is...um...

WHITE: Well, they're going to hit me this weekend. That's...

PETTERS: Nuhuh. I didn't say this weekend. I said get out of it.

WHITE: Oh, okay, I misunderstood you. I thought you meant they were going to arrest me this weekend.

PETTERS: No, I said they're going to arrest...I'm sorry. I meant ...the grand jury subpoenaed me Monday and then right after that being, true or untrue, I don't know. He's going to talk to him tomorrow.

WHITE: Okay, alright.

PETTERS: Uh. He said, if you tell your attorney, he said we'll be picked up immediately. He called me (UI). He goes, "I, I don't share that information and"...

WHITE: Yeah.

PETTERS: ...he goes, "I, I'm testing our trust right now."

WHITE: Yep.

PETTERS: So I said, well, and he goes, if you need to talk to people at your office like you are. I said look, I've been asking them for f████g, you know, little (UI). And, I, I'm also worried about Polaroid crashing.

WHITE: What happened?

PETTERS: I'm worried about Polaroid crashing. They don't want me talking to anybody at the f████g office.

WHITE: Yeah.

PETTERS: You know?

WHITE: Yeah, I agree.

PETTERS: What the f████?

WHITE: Alright...

PETTERS: What am I supposed to do?

WHITE: Yeah.

PETTERS: Sit back?

WHITE: Well.

PETTERS: ... the world (UI) and die.

WHITE: Yeah.

PETTERS: Anyway...

WHITE: Yeah. (UI)

PETTERS: ...don't have a heart attack buddy.

WHITE: No, I'll try not to. Okay. Alright.

PETTERS: Listen to. Listen to me.

WHITE: Yeah.

PETTERS: Here's another option.

WHITE: Yeah.

PETTERS: The other option is you talk to (UI), and you're gone a little bit, she can come down and visit, just...

WHITE: Yeah.

PETTERS: ...go somewhere remote and pick her up, and...

WHITE: Yeah, that's a possibility.

PETTERS: (UI) you can always set it up to take a vacation.

WHITE: Yeah.

PETTERS: (UI) your going down just to take a vacation and be gone for a couple of weeks and see what happens.

WHITE: Yeah, that's a good idea.

PETTERS: That, you know, that's, that's, that's really a better way to approach it. Where is your boat?

WHITE: Uh, Chesapeake Bay.

PETTERS: So.

WHITE: It's hard to just take off with a boat. You gotta do some preparations and it costs. You know, I mean, shit, there, you gotta put tons of fuel in em and everything else. You got, I mean, you gotta provision it and so on. You can't just ah...it's not like driving to the cabin.

PETTERS: Yeah you have to put food and everything on it.

WHITE: Yeah, yeah. I mean, you got...It takes um, um, ahhh, 2,000 gallons of fuel, I mean, you got, I mean, I mean, it's just like, it's a, it's a project to get the thing ready to go. That's all, so...

PETTERS: So couldn't you ask someone else to get it ready to go if you wanted to go take it (UI).

WHITE: Maybe I could, yeah. But I mean, I don't know anybody who could take, I mean, boats are...to get somebody else...

PETTERS: What?

WHITE: To get somebody else to take the boat off across the country is not a simple task.

PETTERS: Can't you get somebody else to take the boat out? Who knows just you and Chris?

WHITE: Yeah. Yeah.

PETTERS: Robyn doesn't know?

WHITE: No, she doesn't sail. I mean, she's been on it with me, but that's a lot different than taking the boat across the ocean. I mean...

PETTERS: Alright, I don't know, I don't know anything about sailing.

WHITE: Yep. Alrighty, find out what you can. Alright? You have a good...

PETTERS: What?

WHITE: Find out if it's going to be...