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MINNEAPOLIS (August 26, 2010) – On August 25, 2010 Hillside Productions, along with North Woods Advertising, one of the nations top political and issue advocacy advertising agencies, premiered “The Second Fraud: a Ponzipalooza” at the Uptown Theater in Minneapolis, Minnesota. The film began 20 minutes after it was scheduled to accommodate seating hundreds of people who formed lines which stretched out the theater doors, around the corner and down Lagoon Avenue.

The theatrical release of “The Second Fraud” comes after conflict arose in December 2009 when a documentary, about the mismanaged aftermath of the Tom Petters fraud, was ready to air on Minnesota local television networks. Within days of the set broadcast date, television stations returned paid advertising fees and refused to run the documentary.

Immediately following the film a panel discussion was held that included Polaroid investor Thane Ritchie, speaking on behalf of the creditors, Billy Procida, former VP of Trump and the first legally appointed receiver of the Petters’ companies who’s often referred to as Trump’s “first apprentice,” Chicago author James Merriner, architect of some of the most comprehensive books on government and corporate corruption, Richard Painter, law professor at the University of Minnesota and an expert in ethics and securities fraud, Ryan Frost, Filmmaker and Producer, and Andrew Kreig, author, lawyer and former Hartford Courant columnist. The discussion was moderated by political adman Bill Hillsman, President and CEO of Minneapolis Based North Woods Advertising.

The film spoke clearly to the unethical and questionable dismantling of the Petters empire by government appointed receiver Doug Kelley, Partner and President of Kelley & Wolter, P.A., who took on all roles in the case. According to the film based on public record Tom Petters, immediately following the raid of his companies by the FBI, retained Minnesota lawyer, Doug Kelley to represent PCI, the Petters’ fraud machine. Then, just a few days later, Kelley rushed into the US District Court for an ex-parte hearing (a secret meeting with a judge where only one party is present and opposing viewpoints are not considered) where Judge Ann Montgomery appointed Kelley receiver of the Petters’ companies to represent the fraud victims and creditors. The film then went on to illustrate how Kelley, as the receiver and the one-man board of directors for Petters, unilaterally placed the companies in to bankruptcy. Judge Montgomery then appointed Kelley as the bankruptcy trustee for the case. “The Second Fraud” compared this

structure wrought with conflicts of interest and questionable ethics to that of the famous Madoff case in which the law was strictly adhered to.

Billy Procida, the original court appointed receiver who was later relieved of his duty said, "I've been doing this for 30 years...this is probably the biggest misuse of justice I have ever seen in my career."

Often used in cases of bankruptcy fraud is the practice of forfeiture where assets of the accused are seized by the government and can be liquidated, often before a trial has occurred and the accused are found guilty. "The Second Fraud" detailed how, in the case of the Tom Petters fraud, the government seized all of Petters' assets and, in the case of Polaroid - Petters' most valuable asset which was sold at fire-sale auction at the end of 2008, liquidated them as a means to pay the very professionals charged with the responsibility of preserving their value.

Richard Painter, law professor at the University Minnesota, stated "Obviously I'm very concerned about what I saw here, but it's important that we as citizens focus on whether or not the law is being used appropriately or misused."

Two popular topics of debate during the panel discussion were Minnesota's so called "squeaky clean" image and the film's revealing insight into Petters' criminal past, a history victims would know nothing about due to expungement of Petters' criminal record by a Minnesota judge going all the way back to 1984.

When talking about Minnesota's "squeaky clean" image Procida stated "I was in the South Bronx for 15 years in construction - so I don't scare to easy. Believe it or not, I was actually nervous being in Minnesota working the Petters case."

In response to audience questions related to whether victims may have taken undue risk as a result of not performing due diligence when investing in Petters, Procida jumped to answer, "...it's easier to check people out when the government doesn't expunge their [criminal] record."

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