

Re Gary Lynn McDuff

Witness Statement of Shinder Gangar

I Shinder Singh Gangar of 'Harborne', Copthorne Road, Croxley Green, Rickmansworth, Hertfordshire, WD3 4AE make the following statement of truth:

1. I was introduced to Gary Lynn McDuff (Gary) in 1998 in London by a friend of mine called Norman Sawtell.
2. At the time I met Gary, my firm Dobb White & Co (DWC) Certified Accountants was being investigated by the then Financial Services Authority. This investigation ended with no finding of any wrong doing in April 1999. I told Gary about this at our very first meeting.
3. As a result of all I showed Gary about my dealings with Terry Dowdell and our 12 month track record, together with our professional indemnity cover with First City Insurance and my openness regarding the investigation, Gary placed £30,000 with DW.
4. Due to our shared Christian faith, we became friends and I was impressed with Gary's banking contacts and more particularly his attention to legal detail to ensure everything we did was compliant with US laws.
5. I asked Gary to assist with setting up a system to pay our clients monthly as the banks we were using were taking too long to make transfers and many transfers were lost and took a long time to retrieve.
6. Gary introduced me to William Ramirez in Costa Rica who owned Private Trust International. Gary handled the relationship with William for DWC and he successfully established sub-accounts for many DWC clients the system worked very well for 18 months but the bank providing the service lost its account with the VISA.
7. As a result of Gary's excellent work, I introduced Gary to Terence De'ath (now deceased) a retired senior banker.
8. Terry De'ath formed Secured Clearing Corporation (SCC) using Gary's services. Terry wanted to help DWC in any way he could. Gary travelled to Panama and negotiated the purchase of First Global Foundation's payment fulfilment division by SCC. Gary was introduced to Cash Cards

International and First Global Foundation started to provide a service to DWC to pay clients monthly via cash cards.

9. I travelled to Texas and Gary arranged for me to meet with Nelson Bunker Hunt, along with Hunt's financial director. I discussed with them the Cash Management Agreement (CMA) that we had developed with Emerged Market Securities (EMS) in New York using their bankers, Wells Fargo.
10. I invited Gary to New York to meet Ken Mackay and David Cooper of EMS as Gary could introduce banks that could act in the same way as Wells Fargo.
11. I met Gary in New York and he was shown how US\$10 million had been placed in Wells Fargo by one of my clients, Terry Brady under the CMA. Gary was shown all the Wells Fargo bank statements that also evidenced the return of the \$10m to Terry Brady and three months of profit payments.
12. Gary liked the people at EMS and offered to introduce Wells Fargo at a different location and Banamex as possible banks who could be custodians for the CMA.
13. After this New York meeting, I mentioned to Terry De'ath what I was doing with the CMA with EMS and he asked if SCC could use the CMA method to manage client funds. I had no objection.
14. I had also introduced an ex-banker and client of DWC Iain McWhirter to Terry De'ath and also another ex-banker and associate of mine, Chris Stone to De'ath. I wanted them to be directors of a bank that was available for purchase in Dominica from Malcolm West. Malcolm was a client of DWC and suggested his bank would eliminate all the payment problems we were having with the FSA in the UK.
15. Terry De'ath asked Gary to obtain a legal opinion from a law firm Gary knew in Texas to ensure that what was being proposed complied with all USA securities laws. Gary engaged Jackson Walker to provide this legal opinion. Only when the product had received the approval from Jackson Walker and Colin Riseam, a lawyer I had introduced to everyone who was also a DWC client. Incidentally, Colin Riseam had been a partner for 17 years at Farrer & Co (lawyers to the royal family in the UK). In fact Farrer & Co had acted for DWC in the FSA investigations.

16. Terry De'ath along with approval from Iain McWhirter and Christ Stone asked Gary to be Senior Trust Officer for the bank in Dominica, Investors Bank & Trust (IBT).
17. Gary assisted in opening accounts for IBT at Banamex and a bank in Belgium. He was always only acting on instructions from the bank's owners and managers.
18. When it was discovered that some US investors were restricted by their retirement fund administrators from investing in foreign bank products, yet they still wanted to invest, the idea of a fund was developed. The idea came from Colin Riseam (now deceased) who suggested a US Investment Fund should be formed. For this, De'ath asked Gary to present the project to Jackson Walker and Norman Reynolds who had dealt with the previous CMA matter. He modified the CMA provisions and created a fund structure fully compliant with all Securities laws.
19. The fund was called 'Avenger Fund' with De'ath as the sole owner. The fund only did business with accredited investors who were also qualified purchasers. To my knowledge Gary assisted De'ath with at least two \$10 m investments. One was a customer at a US Bank in California, where De'ath first became acquainted with Gary Lancaster who was a trust officer at the bank.
20. Prior to creating the fund, Norman Reynolds of Jackson Walker in Texas wanted to meet De'ath in London to take detailed instructions of exactly what was required to be done. At the meeting extensive documentation was given to Reynolds by De'ath. As far as I am aware Reynolds left London satisfied with everything. De'ath told Reynolds that Gary was working for De'ath and would instruct Reynolds with full power of attorney for De'ath. Everything that Reynolds did in creating the Avenger Fund was for Terry De'ath not Gary. Gary was just the messenger. I was not at this meeting but Iain McWhirter was and both De'ath and McWhirter relayed the information back to me.
21. After the Avenger Fund was completed. De'ath decided to proceed to setting up a fully registered public fund to be able to accept smaller investors. This fund needed to have a USA owner, with the necessary securities licences and to be able to act as an investment adviser. After considering a number of candidates, Gary recommended to De'ath the

trust officer that De'ath had met a year earlier at US Bank, Gary Lancaster. De'ath liked the idea and asked Gary to contact Lancaster to see if he would be interested and if so to travel to London to meet De'ath and the team.

22. I met with Lancaster too as did McWhirter and De'ath. Lancaster liked the proposal and agreed to be the owner.
23. Once again Jackson Walker were engaged by Lancaster upon recommendation from De'ath to form the fund. This fund was to be named the Peoples Avenger Fund. Once again Norman Reynolds was in charge of the project at Jackson Walker.
24. Gary Lancaster provided all the information to Norman Reynolds to form the fund. Reynolds suggested that due to the length of time it was going to take in SEC filings etc that Lancaster set up a Reg D Private Placement Exempt Fund with all the same features as the Public Fund except that it would only accept 100 investors. The advantage was that it would be ready in a matter of weeks. When this Reg D fund got near 100 investors the Peoples Avenger Fund could be completed. The name chosen for this Reg D fund by Lancaster was the 'Lancorp Financial Fund' (LFF). De'ath instructed Gary McDuff to pay the formation costs from De'ath's SCC, as Lancaster was acting on De'ath's instructions.
25. Once again it was Lancaster who provided Reynolds at Jackson Walker all the information needed to form LFF, not Gary McDuff.
26. The Peoples Avenger Fund and Lancorp FF were intended to be insured. I had introduced Gary to John Sevastopolu at First City Insurance Brokers who had provided the professional indemnity insurance to DWC. I know that first city were open to do this, but only when the fund was over \$10m.
27. With all the problems surrounding me and DWC, I started to introduce my clients to De'ath and Lancaster. One client was Bob Reese (now deceased). I told Bob Reese to contact Gary to get all the details about Lancaster who was running the Lancorp FF.
28. I also introduced Lancaster in 2004 to Tricom Securities in Sydney Australia owned by Lance Rosenberg to participate in an underwriting deal. Lancaster opened an account with Tricom and sent over \$9m

there and after the deal ended after 8 months and all the funds were returned. Other clients of mine also opened accounts and participated.

29. I believe it is wrong that Gary has been charged, let alone found guilty of conspiring with Gary Lancaster and Bob Reese to defraud people or run a Ponzi scheme.

30. If people like De'ath and Riseam were still alive and able to testify to the facts that I have outlined, this would be indisputable. If all the documentation had not been seized by the SFO here we could furnish so many documents attesting to the above facts.

31. Gary McDuff has always meticulously followed instructions from the owners or managers of funds, corporations or banks. He has never acted in these matters as a principal.

I hope that this statement will be taken into account in mitigating against a sentence being sought.

I confirm that the contents of this witness statement are true to the best of my knowledge and belief.

SHINDER SINGH GANGAR

----- *SSGangar* SHINDER GANGAR

Dated ----- *9th November 2013*

Witnessed by ----- *SJRandall* SARAH RANDALL

Dated ----- *9/11/13*