

Exhibit "J"

This is the Cover page of the 2003 Private Placement Memorandum prepared by Norman Reynolds that was properly filed with the SEC and properly amended on April 5, 2004 to exchange insurance for a bank obligation and to use the monies to buy and sell securities for profit.

The Lancorp Financial Fund Business Trust II cover page of the June 1, 2005 Private Placement Memorandum was prepared by Mr. Lancaster alone, without any legal counsel, and it was not filed with the SEC or used in compliance with the Rules for Reg D exempt Funds.

Gary McDuff was never told of the 2005 PPM until his trial in March 2013.

Confidential Private Placement Memorandum

LANCORP FINANCIAL FUND BUSINESS TRUST

**Sale of 50,000 Investor Shares at a price of \$5,000 per share
Minimum purchase five shares**

Limited to no more than 100 investors, of which no more than 35 may be Non-Accredited Investors

Lancorp Financial Fund Business Trust (the "Trust"), a recently formed Nevada business trust, is an unregistered closed-end non-diversified management investment company. Our investment objective involves the issuance of Forward Commitments (defined in this memorandum) to large financial institutions relating to debt securities bearing interest or sold at a discount (the "Permitted Investments") which satisfy each of the following criteria:

- The securities are original issue debt securities rated "A+" by Standard & Poor's Corporation or "A1" by Moody's Investor's Service, the sale of which have been registered pursuant to the 1933 Act, and issued by an entity having, at the time the Forward Commitment is issued, a long-term credit rating of at least "A+" by Standard & Poor's Corporation, "A1" by Moody's Investors Service, or the equivalent rating of any other recognized rating service;
- On the date of delivery to the Trust, the securities (a) are the subject of one or more irrevocable purchase orders obtained by the Trustees, on behalf of the Trust, which obligate qualified creditworthy third party subscribers acceptable to a Qualified Bank and the Trustees to purchase the securities for an amount greater than the amount of the securities; or (b) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (c) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (d) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (e) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (f) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (g) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (h) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (i) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (j) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (k) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (l) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (m) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (n) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (o) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (p) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (q) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (r) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (s) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (t) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (u) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (v) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (w) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (x) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (y) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities; or (z) have a yield to maturity greater than the market yield of comparable Treasury securities maturing within the same period as the securities;
- The securities have a maturity of not more than 10 years.
- In addition, to the extent of the offering, the securities may be invested in a

2003
**COMPLIANT FUND CREATED BY
ATTORNEY NORMAN REYNOLDS**

Per Share		Proceeds to Lancorp Financial Trust (2) (3)
Total Minimum Offering		\$5,000
Total Maximum Offering	\$250,000,000	\$5,000,000
		\$250,000,000

- (1) There will be no commissions paid with respect to the sale of the Investor Shares.
- (2) If an investor requests insurance to insure the investor's investment in the Trust, there will be a charge against such investor's Investor Shares for insurance premiums. The premium will be an amount equal to three percent per annum of the total invested by the investor, payable at the rate of 0.75 percent each quarter ending on March 31, June 30, September 30, or December 31 of each year. Therefore, each \$5,000 invested by an Insured Shareholder will be subject to a charge of \$37.50 each quarter. Any insured investor may have his Investor Shares redeemed at the end of any quarter, thereby limiting his exposure for insurance premiums to only 0.75 percent for the quarter in which redemption occurs. The Trustees will not be entitled to any compensation from the Trust until all paid insurance premiums have been refunded to the Insured Shareholders out of the Quarterly Income. See "Fee Table and Synopsis" and "Certain Provisions of the Declaration of Trust and Bylaws - Insurance Covering Investor Shares."
- (3) Any expenses of the Trust related to this offering will likewise be paid out of any compensation which may be due to the Trustees. The Investor Shares will not be charged with any such expenses. See "Fee Table and Synopsis" and "The Trust - The Trustees."

This investment involves risks. See "Risk Factors" beginning on page 8 of this memorandum.

This memorandum sets forth concisely information about the Trust that you should know before investing. You are advised to read this memorandum and to retain it for future reference.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS MEMORANDUM IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR A DEFINITE PERIOD OF TIME.

The effective date of this Memorandum is **March 17, 2003**

**Government's
Exhibit No. 42
4:09cr90
U.S. v. McDuff
14-40780.1321**

Confidential Private Placement Memorandum

LANCORP FINANCIAL FUND BUSINESS TRUST II

Sale of 50,000 Investor Shares at a price of \$5,000 per share
 Minimum purchase five shares

Limited to no more than 100 investors, of which no more than 35 may be Non-Accredited Investors

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- The securities are original issue debt securities rated "A+" by Standard & Poor's Corporation or "A1" by Moody's Investor's Service, the sale of which have been registered pursuant to the 1933 Act, and issued by an entity having, at the time the Forward Commitment is issued, a long-term credit rating of at least "A+" by Standard & Poor's Corporation, "A1" by Moody's Investors Service, or the equivalent rating of any other recognized rating service;
- On the date of delivery to the Trust, the securities (a) are the subject of one or more irrevocable purchase orders obtained by the Trustees, on behalf of the Trust, which obligate qualified creditworthy third party subscribers acceptable to a Qualified Bank and the Trustees to purchase the securities for an amount greater than the amount to be withdrawn by the Trustees from the Trust upon delivery of such securities; or (b) have a yield securities more than the market Treasury per annum
- The securities 10 years.
- In addition, Qualified Bank may invest in a

2005
NON-COMPLIANT FUND CREATED
BY GARY LANCASTER ALONE

Per Share.....
Total Minimum Offer
Total Maximum Offer

Per Share.....	Permitted to Lancorp
Total Minimum Offer	Financial Trust (2) (3)
Total Maximum Offer	\$5,000
	5,000,000
	50,000,000

- (1) There will be no commissions paid with respect to the sale of the Investor Shares.
- (2) Any expenses of the Trust related to this offering will likewise be paid out of any compensation which may be due to the Trustees. The Investor Shares will not be charged with any such expenses. See "Fee Table and Synopsis" and "The Trust - The Trustees."

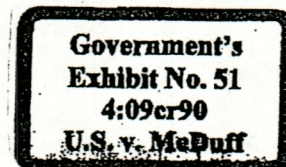
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The effective date of this Memorandum is June 1, 2005



RE: Can you send me McDuff #29 in PDF format? Thx!

Norman Reynolds [REDACTED]

Sent: Friday, March 01, 2013 6:15 PM

To: Smith, Christopher M. (DL)(FBI)

Cc: Lopez, Camelia (USATXE) 2

Attachments: Lancorp Financial Fund Sub~1.doc (149 KB) ; Lancorp Financial Fund Dec~1.DOC (232 KB) ; Lancorp Financial Fund PPM~1.doc (311 KB)

Mr. Smith:

I am not certain that I prepared the document you sent to me. It looks like my work, but there are discrepancies in it which imply that someone took my work and made changes to it. For example, whenever I use the name of a State in an address, I always spell out the State's name. I never use TX for Texas or WA for Washington. Also, whenever I mention a suite number in an address, I always use Suite No. XXX. I never use a # symbol preceding a suite number. There are also some spacing issues. As I mentioned, the latest documents I have were dated in 2003. I attached the documents I prepared and which are on my system. My old firm may have later documents, but I do not know. You might check with the State of Nevada to see who sent in the paper work for Lancorp Financial Fund Business Trust II. I do not have any of that documentation on my system. Again, it may be on my old firm's system, but I do not know.

*
*

Do you have a Word version of the documents you furnished? If so, that would certainly help in comparing the two documents.

Please call me, if you have any questions. Thanks.

Norman T. Reynolds
 Norman T. Reynolds Law Firm
 [REDACTED]
 [REDACTED]
 [REDACTED] (telecopier)
 [REDACTED]
 [REDACTED]

Lancaster admitted creating this Fund II without using Mr. Reynolds or any attorney. He cut & pasted it from the original. He also confirmed Gary McDuff had no knowledge of Fund II at all.

The following disclaimer is included to ensure that we comply with U.S. Treasury Department Regulations. The Regulations now require that either we (1) include the following disclaimer in most written Federal tax correspondence or (2) undertake significant due diligence that we have not performed (but can perform on request).

ANY STATEMENTS CONTAINED HEREIN ARE NOT INTENDED OR WRITTEN BY THE WRITER TO BE USED, AND NOTHING CONTAINED HEREIN CAN BE USED BY YOU OR ANY OTHER PERSON, FOR THE PURPOSE OF (1) AVOIDING PENALTIES THAT MAY BE IMPOSED UNDER FEDERAL TAX LAW, or (2) PROMOTING, MARKETING OR RECOMMENDING TO ANOTHER PARTY ANY TAX-RELATED TRANSACTION OR MATTER ADDRESSED HEREIN.

LANCORN FINANCIAL FUND BUSINESS TRUST

April 5, 2004

Dear Investor,

Pursuant to the requirements of the Lancorp Financial Fund Business Trust Confidential Private Placement Memorandum supplied to you at the time of your subscription, this is your formal notice that the Fund has reached the final stages of underwriting participation agreements and will go "effective" in the coming days.

For the Fund to enter into such agreements it is required that a specific amount of money (not less than \$5 Million USD) be confirmed. Therefore, we request that you reaffirm your intent to remain invested in the fund from the "effective" date until the first permitted withdrawal date thereafter. The next withdrawal date shall be June 30, 2004, see ARTICLE V 5.1, page 12.. of the memorandum.

Recent statutory amendments in the insurance industry, has caused many months of delay for us in going effective. Many of you have expressed the desire to proceed if the insurance element could be replaced with an obligation of the custodian (Qualified Bank) that provided the same level of protection. To that end, we have successfully negotiated and obtained a validated written obligation from the "Qualified Bank" acting as custodian that any securities which may be purchased must have a liquidation value greater than the amount paid as required by "Permitted Investments" described in the memorandum; or, that such securities liquidation value be insured by AIG Insurance (or equivalently rated insurer) at all times. This written obligation provides the element of protection initially contemplated from an outside insurer that would insure the value of investor shares. This obligation does not require the payment of an insurance premium by you at any time. This obligation is direct to the Lancorp Fund and is not direct to you. This means that you are not the direct beneficiary, but you are the ultimate beneficiary as mandated by the memorandum.

Please sign in the appropriate space below indicating your desire to proceed as a subscriber in the Fund through the next calendar quarter under the terms of protection described above, or your desire to withdraw your subscription. We must hear from you in this regard as soon as possible so we will have an accurate accounting of the total sum we will have in the Fund as we officially begin transacting for profit.

Very truly yours,

Gary L. Lancaster
Trustee

I reconfirm my Subscription participation and I acknowledge the above memorandum modifications.

I request the withdrawal of my subscription

Printed Name _____

Date Apr. 19, 2004

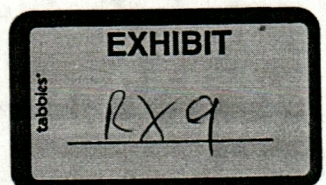
Address: _____
Houston, TX 77070

Present: SEC Agents and Receiver with staff lawyers

SEC Agent says: "I'm going to ask you to do your very best to remember the answers to the questions I'm going to ask you"..."You don't remember.....? "Not offhand. I might be able to....."

Lancasters responses to key questions:

Page 175 My memory is so bad
Page 178 my memory is really bad...I can't remember
Page 180 I might be able to
Page 181 I don't know
Page 181 Dang, I wish I could remember
Page 181 I forget
Page 182 I think...maybe...I'm not sure
Page 183 I forget
Page 186 I forget...I don't remember now
Page 187 and I forget now
Page 189 I have no idea
Page 190 I don't remember
Page 191 I forget now...I can't remember
Page 192 I don't remember
Page 195 I guess
Page 202 I can't remember
Page 209 I can't identify specifically...I'm presuming
Page 210 I don't know...I don't know...I don't know
Page 211 I suppose...I don't know...I assumed...I don't know...that is just my own assumption
Page 213 And I'm sure I made assumptions
Page 218 That I'm not sure...I have no idea...I just presumed that
Page 219 I had no idea...I don't know
Page 221 I can't remember exactly now
Page 222 I can't remember
Page 226 I can't remember. But I think
Page 227 I guess I didn't...I guess I didn't...I guess
Page 230 I guess
Page 233 I had forgotten that
Page 235 I quite frankly had forgotten about that
Page 236 I guess
Page 238 I'm not certain
Page 242 I have no idea



Present: SEC Agent, Receiver, and attorney for Lancaster

Lancaster's responses to key questions:

Page 9 I can't remember exactly...I can't remember exactly
Page 10 I think
Page 11 I don't think so
Page 12 I don't remember exactly...I can't remember
Page 13 I think...I don't remember that
Page 14 I don't know
Page 16 I think...I think...I don't know
Page 17 I don't know
Page 18 Not that I know of...I guess...I guess
Page 25 I think
Page 29 You know, I don't remember
Page 32 I don't recall
Page ~~35~~ 36 I don't remember exactly...I don't know exactly
Page 38 I don't know that I did
Page 39 I think
Page 40 Not that I know of
Page 41 I don't know
Page 42 I don't remember exactly
Page 44 I don't remember
Page 47 I can't remember exactly
Page 48 Yeah, maybe I did. I can't remember...I can't remember
Page 49 Yeah, I don't remember...I don't recall...I don't remember
Page 51 I don't recall
Page 52 I don't recall
Page 53 I don't remember...so I can't remember...probably
Page 57 I guess so
Page 58 I honestly don't know...I presume...I guess
Page 60 Could be...I don't remember
Page 63 I have no idea...I don't know
Page 64 I have no idea...I don't know...I don't know. I'm presuming
Page 65 I don't recall
Page 66 I'm presuming