

1 NICOLA T. HANNA
United States Attorney
2 LAWRENCE S. MIDDLETON
Assistant United States Attorney
3 Chief, Criminal Division
STEVEN R. WELK (Cal. State Bar No. 149886)
4 Assistant United States Attorney
Chief, Asset Forfeiture Section
5 JOHN J. KUCERA (Cal. Bar No. 274184)
Assistant United States Attorney
6 Asset Forfeiture Section
1400 United States Courthouse
7 312 North Spring Street
Los Angeles, California 90012
8 Telephone: (213) 894-3391
Facsimile: (213) 894-0142
9 E-mail: John.Kucera@usdoj.gov

10 Attorneys for Plaintiff
United States of America
11

12
13 UNITED STATES DISTRICT COURT
14 FOR THE CENTRAL DISTRICT OF CALIFORNIA
15 WESTERN DIVISION

16 UNITED STATES OF AMERICA,
17 Plaintiff,
18 v.
19 VARIOUS INTERNET DOMAIN NAMES,
20
21 Defendants.

No. CV 18-8592

VERIFIED COMPLAINT FOR FORFEITURE

18 U.S.C. §§ 981(a)(1)(A) & (C)

[U.S.P.I.S.]

22
23
24
25
26
27
28

1 PERSONS AND ENTITIES.....6

2 FUNDS HELD IN THE NAME OF POSTING SOLUTIONS:.....9

3 FUNDS HELD IN THE NAME OF CEREUS PROPERTIES LLC:.....9

4 ASSETS HELD BY OR FOR THE BENEFIT OF BY MICHAEL LACEY:.....9

5 ASSETS HELD BY OR FOR THE BENEFIT JAMES LARKIN:.....11

6 ASSETS HELD BY OR FOR THE BENEFIT OF JOHN BRUNST:.....13

7 ASSETS HELD BY OR FOR THE BENEFIT OF SCOTT SPEAR:.....14

8 FUNDS HELD IN THE NAME OF PRIMUS TRUST.....15

9 FUNDS HELD IN THE NAME OF GOLD LEAF SRO.....15

10 FUNDS HELD IN THE NAME OF PROTECCTIO SRO.....15

11 FUNDS HELD IN THE NAME OF VARICOK COMPANY SRO.....15

12 FUNDS HELD IN THE NAME OF AD TECH BV.....16

13 FUNDS HELD IN THE NAME OF PROCOP SERVICES BV.....16

14 FUNDS HELD IN THE NAME OF GULIETTA GROUP BV.....17

15 FUNDS HELD IN THE NAME OF UNIVERSADS BV.....17

16 FUNDS HELD IN THE NAME OF CASHFLOWS EUROPE LIMITED.....17

17 ASCIO/WMB INC DOMAIN NAMES.....18

18 SURRENDERED DOMAIN NAMES.....18

19 OTHER BACKPAGE SURRENDERED ASSETS.....21

20

21 NATURE OF THE ACTION AND CLAIMS FOR RELIEF.....23

22 JURISDICTION AND VENUE.....24

23 I. The Formation and Evolution of Backpage.....26

24 II. The Sources and Manipulation of Backpage Criminal Proceeds...28

25 A. Backpage Promotion of Prostitution and Sex Trafficking...28

26 B. Payments for Advertising on Backpage.....37

27 C. Bases for Forfeiture.....42

28 III. Assets Representing, Traceable To, and Involved In

1 Specified Unlawful Activity.....43

2 A. Account 1 (Prosperity `7188 Funds).....43

3 CEREUS PROPERTIES ASSETS.....45

4 B. Account 2 (Compass `3873 Funds).....45

5 C. Account 3 (Compass `4862 Funds).....46

6 MICHAEL LACEY ASSETS.....46

7 D. Account 4 (FFS&L of SR `3620 Funds).....46

8 E. Accounts 5-10 (RBA `2485, `1897, `3126, `8316, `8324,

9 and `8332).....46

10 F. Account 11 (SFFCU `2523 Funds).....47

11 G. Account 12 (IOLTA `4139).....47

12 H. The Sebastopol Property.....48

13 I. San Francisco, California Property 1.....49

14 J. San Francisco Property 2.....49

15 K. San Francisco Property 3.....51

16 L. Sedona Property.....51

17 M. Paradise Valley Property 1.....51

18 N. Paradise Valley Property 2.....52

19 JAMES LARKIN ASSETS.....52

20 O. Accounts 13, 15, 16, 17, AND 18 (RBA `1889, `2592,

21 `1938, `1897, `8103, `8162, AND `8189).....52

22 P. Accounts 19 AND 20 (PCTC ACCOUNT `0012 FUNDS, PERKINS

23 COIE `0012).....53

24 Q. Account 21 (ACF `2020).....54

25 R. Accounts 22 AND 23 (BA `8225 and `7054).....55

26 S. Saint Helena Property.....55

27 T. Chicago Property.....56

28 U. Paradise Valley Property 7.....56

1 JOHN BRUNST ASSETS.....56

2 V. Account 24 (COMPASS BANK `3825).....56

3 W. Account 25, 26, 27, 28, 29, 30 (AB `6878, `4954,

4 `7982, `7889, `7888 AND `6485).....57

5 SCOTT SPEAR ASSETS.....58

6 X. Accounts 31, 32, AND 33 (NBA `0178, `0151, and`3645).....58

7 Y. Account 34 (Live Oak Bank Account `6910).....58

8 Z. Account 35 and 36 (Ascensus Broker Services `4301

9 and`8001).....59

10 PRIMUS TRUST ASSETS.....59

11 AA. Account 37 (K&H Bank Account `1210).....59

12 AD TECH BV ASSETS.....60

13 BB. Accounts 56, 57, and 58 (Fio Bank `5803, `5801, and

14 `5805).....60

15 CC. Accounts 47, 48, 49 and 50 (BF Accounts `K000 K, `K000

16 U, `K000 E, and `K001 K).....61

17 GOLD LEAF SRO FUNDS HELD AT FIO BANK.....61

18 DD. Account 38, 39, and 30 (Fio Bank `2226, `2231, and

19 `2230).....61

20 PROTECCTIO SRO FUNDS HELD AT FIO BANK.....62

21 EE. Accounts 41, 42, and 43 (Fio Bank `4194, `4196, and

22 `4198).....62

23 VARICOK SRO FUNDS HELD AT FIO BANK.....62

24 FF. Accounts 44, 45, and 46 (Fio Bank `8083, `8086, and

25 `8080).....62

26 PROCOP SERVICES BV FUNDS HELD AT KNAB BANK.....63

27 GG. Account 51 (KB `7664).....63

28 GULIETTA GROUP BV FUNDS HELD AT RABO BANK.....64

HH. Accounts 52 and 53 (RB `2452 and `4721).....64

CASHFLOWS EUROPE LTD FUNDS HELD FOR GULIETTA GROUP B.V.,
 UNIVERSADS B.V., PROCOPSERVICES B.V. and PROTECCIO SRO.....64

1 II. Account 55 (SP `1262).....64
2 JJ. Account 54 (LHVP `4431).....65
3 BACKPAGE-CONTROLLED DOMAIN NAMES.....66
4 KK. ASCIO/WMB Inc Domain Names.....66
5 LL. SURRENDERED DOMAIN NAMES.....68
6 BACKPAGE SURRENDERED ASSETS.....78
7 MM. Assets Surrendered To The United States By Backpage.....78
8 NN. BACKPAGE FUNDS PREVIOUSLY HELD AT DAVIS WRIGHT
9 TREMAINE.....80
10 FIRST CLAIM FOR RELIEF.....81
11 (18 U.S.C. § 981(a)(1)(C)).....81
12 SECOND CLAIM FOR RELIEF.....81
13 (18 U.S.C. § 981(a)(1)(A)).....81
14 THIRD CLAIM FOR RELIEF.....82
15 (18 U.S.C. § 981(a)(1)(A)).....82
16 VERIFICATION.....84
17
18
19
20
21
22
23
24
25
26
27
28

1 The United States of America brings this complaint against the
2 above-captioned asset(s) and alleges as follows:

3 **PERSONS AND ENTITIES**

4 1. The plaintiff is the United States of America ("plaintiff"
5 or the "government").

6 2. The defendants are atlantabackpage.com; backpage.be;
7 backpage.com; backpage.com.br; backpage.cz; backpage.dk; backpage.ee;
8 backpage.es; backpage.fi; backpage.fr; backpage.gr; backpage.hu;
9 backpage.ie; backpage.it; backpage.lt; backpage.mx; backpage.net;
10 backpage.no; backpage.pl; backpage.pt; backpage.ro; backpage.si;
11 backpage.sk; backpage.us; backpage-insider.com; bestofbackpage.com;
12 bestofbigcity.com; bigcity.com; chicagobackpage.com;
13 denverbackpage.com; newyorkbackpage.com; phoenixbackpage.com;
14 sandiegobackpage.com; seattlebackpage.com; tampabackpage.com;
15 admoderation.com; admoderators.com; adnet.ws; adplace24.com;
16 adplaces24.com; adpost24.com; adpost24.cz; adquick365.com;
17 adreputation.com; ads-posted-mp.com; adsplace24.com; adspot24.com;
18 adspots24.com; adsspot24.com; adtechbv.co.nl; adtechbv.com;
19 adtechbv.nl; advert-ep.com; adverts-mp.com; axme.com; back0age.com;
20 backpa.ge; backpaee.com; backpage-insider.com; backpage.adult;
21 backpage.ae; backpage.at; backpage.ax; backpage.be; backpage.bg;
22 backpage.bg; backpage.ca; backpage.cl; backpage.cn; backpage.cn;
23 backpage.co.id; backpage.co.nl; backpage.co.nl; backpage.co.nz;
24 backpage.co.uk; backpage.co.ve; backpage.co.za; backpage.com;
25 backpage.com.ar; backpage.com.au; backpage.com.ph; backpage.cz;
26 backpage.dk; backpage.ec; backpage.ee; backpage.ee; backpage.es;
27 backpage.fi; backpage.fi; backpage.fr; backpage.fr; backpage.gr;
28 backpage.gr; backpage.hk; backpage.hk; backpage.hu; backpage.hu;

1 backpage.ie; backpage.in; backpage.it; backpage.jp; backpage.kr;
2 backpage.lt; backpage.lv; backpage.lv; backpage.me; backpage.mx;
3 backpage.my; backpage.net; backpage.nl; backpage.no; backpage.no;
4 backpage.nz; backpage.pe; backpage.ph; backpage.pk; backpage.pl;
5 backpage.porn; backpage.pt; backpage.ro; backpage.ro; backpage.se;
6 backpage.sex; backpage.sg; backpage.si; backpage.si; backpage.sk;
7 backpage.sk; backpage.sucks; backpage.tw; backpage.uk;
8 backpage.uk.com; backpage.us; backpage.vn; backpage.xxx;
9 backpage.xyz; backpagecompimp.com; backpagecompimps.com;
10 backpagepimp.com; backpagepimps.com; backpagg.com; backpam.com;
11 backpagu.com; backpaoe.com; backpaw.com; backqage.com; backrage.com;
12 backxage.com; bakkpage.com; bcklistings.com; bestofbackpage.com;
13 bestofbigcity.com; bickpage.com; bigcity.com; bpclassified.com;
14 bpclassifieds.com; carlferrer.com; clasificadosymas.com;
15 clasificadosymas.net; clasificadosymas.org;
16 classifiedsolutions.co.uk; classifiedsolutions.net;
17 classyadultads.com; columbusbackpage.com; connecticutbackpage.com;
18 cracker.co.id; cracker.com; cracker.com.au; cracker.id;
19 cracker.net.au; crackers.com.au; crackers.net.au; ctbackpage.com;
20 dallasbackpage.com; denverbackpage.com; easypost123.com;
21 easyposts123.com; emais.com.pt; evilempire.com; ezpost123.com;
22 fackpage.com; fastadboard.com; guliettagroup.nl; http.org;
23 ichold.com; internetspeechfoundation.com;
24 internetspeechfoundation.org; loads2drive.com; loadstodrive.com;
25 loadtodrive.com; losangelesbackpage.com; mediafilecloud.com;
26 miamibackpage.com; minneapolisbackpage.com; mobileposting.com;
27 mobilepostings.com; mobilepostlist.com; mobilposting.com; naked.city;
28 nakedcity.com; newyorkbackpage.com; paidbyhour.com; petseekr.com;

1 petsfindr.com; phoenixbackpage.com; posteasy123.com; postfaster.com;
2 postfastly.com; postfastr.com; postonlinewith.com; postonlinewith.me;
3 postseasy123.com; postsol.com; postszone24.com; postzone24.com;
4 postzones24.com; rentseekr.com; results911.com; sandiegobackpage.com;
5 sanfranciscobackpage.com; seattlebackpage.com; sellyostuffonline.com;
6 sfbackpage.com; simplepost24.com; simpleposts24.com; svc.ws;
7 truckrjobs.com; ugctechgroup.com; universads.nl;
8 villagevoicepimps.com; websitetechologies.co.uk;
9 websitetechologies.com; websitetechologies.net;
10 websitetechologies.nl; websitetechologies.org; weprocessmoney.com;
11 wst.ws; xn--yms-fla.com; ymas.ar.com; ymas.br.com; ymas.br.com;
12 ymas.bz; ymas.bz; ymas.cl; ymas.cl; ymas.co.bz; ymas.co.bz;
13 ymas.co.cr; ymas.co.cr; ymas.co.ni; ymas.co.ni; ymas.co.ve;
14 ymas.co.ve; ymas.com; ymas.com.br; ymas.com.br; ymas.com.bz;
15 ymas.com.bz; ymas.com.co; ymas.com.co; ymas.com.do; ymas.com.do;
16 ymas.com.ec; ymas.com.ec; ymas.com.es; ymas.com.es; ymas.com.gt;
17 ymas.com.gt; ymas.com.hn; ymas.com.hn; ymas.com.mx; ymas.com.ni;
18 ymas.com.ni; ymas.com.pe; ymas.com.pe; ymas.com.pr; ymas.com.pr;
19 ymas.com.pt; ymas.com.uy; ymas.com.uy; ymas.com.ve; ymas.com.ve;
20 ymas.cr; ymas.cr; ymas.do; ymas.do; ymas.ec; ymas.ec; ymas.es;
21 ymas.es; ymas.org; ymas.pe; ymas.pe; ymas.pt; ymas.us; ymas.us;
22 ymas.uy; ymas.uy; and ymas.uy.com (collectively, the "Defendant
23 Assets").

24 3. The Defendant Assets are held in the names of Backpage.com.

25 4. Contemporaneously with the filing of this complaint,
26 plaintiff is filing related actions seeking the civil forfeiture of
27 the following assets (collectively, the "Subject Assets"):

28

1 **FUNDS HELD IN THE NAME OF POSTING SOLUTIONS:**

2 a. \$3,374,918.61 seized from Prosperity Bank account `7188
3 ("Prosperity `7188 Funds" or "Account 1") held in the name of Posting
4 Solutions, LLC. ¹

5 **FUNDS HELD IN THE NAME OF CEREUS PROPERTIES LLC:**

6 b. \$5,462,027.17 seized from Compass Bank account `3873
7 ("Compass `3873 Funds" or "Account 2"), held in the name of Cereus
8 Properties, LLC, an entity owned or controlled by Scott Spear.

9 c. \$407,686.14 seized from Compass Bank account `4862
10 ("Compass `4862 Funds" or "Account 3"), held in the name of Cereus
11 Properties, LLC.

12 **ASSETS HELD BY OR FOR THE BENEFIT OF BY MICHAEL LACEY:**

13 d. \$689,884.48 seized from First Federal Savings & Loan of San
14 Rafael account `3620 ("FFS&L of SR `3620 Funds" or "Account 4"), held
15 in the name of Michael Lacey ("Lacey");

16 e. \$515,899.85 seized from Republic Bank of Arizona account
17 `2485 ("RBA `2485 Funds" or "Account 5"), held in the name of Lacey;

18 f. \$75,835.31 seized from Republic Bank of Arizona account
19 `1897 ("RBA `1897 Funds" or "Account 6"), held in the name of Lacey;

20 g. \$500,000.00 seized from Republic Bank of Arizona account
21 `3126 ("RBA `3126 Funds" or "Account 7"), held in the name of Lacey;

22 h. \$600,000.00 seized from or frozen in Republic Bank of
23 Arizona Certificate of Deposit ("CDARS")² account `8316 ("RBA `8316
24

25 ¹ Attached hereto as exhibit A is an index of the Subject Assets
26 that consist of funds or securities on deposit at or seized from
financial institutions.

27 ² CDARS is a program that allows a depositor to spread funds
28 across several banks in order to maintain account balances below the
Federal Deposit Insurance Corporation's insurance limits at any
particular bank.

1 Funds" or "Account 8"), held in the name of Lacey;

2 i. \$302,177.57 seized from or frozen in Republic Bank of
3 Arizona CDARS account '8324 ("RBA '8324 Funds" or "Account 9"), held
4 in the name of Lacey;

5 j. \$300,000.00 seized from or frozen in Republic Bank of
6 Arizona CDARS account '8332 ("RBA '8332 Funds" or "Account 10"), held
7 in the name of Lacey;

8 k. \$734,603.70 seized from or frozen in Credit Union account
9 '2523 ("SFFCU '2523 Funds" or "Account 11"), held in the name of
10 Lacey;

11 l. \$2,412,785.47 seized from or frozen in place at Money Gram,
12 having originated from Midfirst Bank account '4139 ("IOLTA³ '4139" or
13 Account 12), held in the name of attorney, "J.B." for the benefit of
14 Lacey;

15 m. All right and title to the real property located in
16 Sebastopol, California titled in the name of Finca Manzana for
17 Sebastopol, LLC ("Sebastopol Property"), APN 076-100-0008-000,
18 including all appurtenances, improvements, and attachments thereon,
19 as well as all leases, rents, and profits derived therefrom;⁴

20 n. All right and title to the real property located in San
21 Francisco, California titled in the name of Lacey and Alyson Talley
22 ("San Francisco Property 1"), APN 07-1008-057-01, including all
23 appurtenances, improvements, and attachments thereon, as well as all
24 leases, rents, and profits derived therefrom;

25 o. All right and title to the real property located in San
26

27 ³ An "IOLTA" is the common name for an Interest on Lawyer Trust
28 Account.

⁴ Pursuant to Local Rule 5.2-1, only the city and state of
residence addresses are set forth in this Complaint

1 Francisco, California titled in the name of Casa Bahia for San
2 Francisco, LLC ("San Francisco Property 2"), APN 0563-029, including
3 all appurtenances, improvements, and attachments thereon, as well as
4 all leases, rents, and profits derived therefrom;

5 p. All right and title to the real property located in San
6 Francisco, California titled in the name of Lacey ("San Francisco
7 Property 3"), APN 0097C011, including all appurtenances,
8 improvements, and attachments thereon, as well as all leases, rents,
9 and profits derived therefrom;

10 q. All right and title to the real property located in Sedona,
11 Arizona titled in the name of Creek Hideaway, LLC ("Sedona
12 Property"), APN 405-06-001B, including all appurtenances,
13 improvements, and attachments thereon, as well as all leases, rents,
14 and profits derived therefrom;

15 r. All right and title to the real property located in
16 Paradise Valley, Arizona titled in the name of Lacey ("Paradise
17 Valley Property 1"), APN 173-11-006C, including all appurtenances,
18 improvements, and attachments thereon, as well as all leases, rents,
19 and profits derived therefrom;

20 s. All right and title to the real property located in
21 Paradise Valley, Arizona titled in the name of Lacey ("Paradise
22 Valley Property 2"), APN 164-05-122, including all appurtenances,
23 improvements, and attachments thereon, as well as all leases, rents,
24 and profits derived therefrom;

25 **ASSETS HELD BY OR FOR THE BENEFIT JAMES LARKIN:**

26 t. \$1,546,076.35 seized from Republic Bank of Arizona account
27 '1889 ("RBA '1889 Funds" or "Account 13"), held in the name of James
28 Larkin ("Larkin");

1 u. \$1,001,731.18 seized from Republic Bank of Arizona account
2 '2592 ("RBA '2592 Funds" or "Account 14"), held in the name of
3 Larkin;

4 v. \$206,156.00 seized from Republic Bank of Arizona account
5 '1938 ("RBA '1938 Funds" or "Account 15"), held in the name of
6 Larkin;

7 w. \$501,248.14 seized from Republic Bank of Arizona account
8 '8103 ("RBA '8103 Funds" or "Account 16"), held in the name of
9 Larkin;

10 x. \$251,436 seized from Republic Bank of Arizona account '8162
11 ("RBA '8162 Funds" or "Account 17"), held in the name of Larkin;

12 y. Any and all funds on deposit in Republic Bank of Arizona
13 account '8189 ("RBA '8189 Funds" or "Account 18"), held in the name
14 of Larkin. RBA is holding the account until it matures, at which
15 time RBA will issue a check to the government for all funds in
16 Account 18;

17 z. \$621,832.06 in U.S. currency seized from Perkins Coie Trust
18 Company account '0012 ("PCTC '0012 Funds" or "Account 19"), held in
19 the name of Margaret Larkin ("M. Larkin");

20 aa. \$9,882,828.72 in securities or investment instruments
21 seized from Perkins Coie Trust Company account '0012 ("PCTC
22 Investment Funds" or "Account 20"), held in the name of M. Larkin;

23 bb. \$34,149,280.00 seized from Acacia Conservation Fund LP
24 account '2020 ("ACF Funds" or "Account 21"), held in the name of
25 Ocotillo Family Trust;

26 cc. \$278.73 seized from Bank of America account '8225 ("BA
27 '8225 Funds" or "Account 22"), held in the name of Troy C. Larkin
28 ("T. Larkin");

1 dd. \$1,038.42 seized from Bank of America account `7054 ("BA
2 `7054 Funds" or "Account 23"), held in the name Ramon Larkin ("R.
3 Larkin");

4 ee. All right and title to the real property located in Saint
5 Helena, California titled in the name of Larkin and M. Larkin,
6 Trustees for Ocotillo Family Trust ("Saint Helena Property"), APN
7 030-050-028-000, including all appurtenances, improvements, and
8 attachments thereon, as well as all leases, rents, and profits
9 derived therefrom;

10 ff. All right and title to the real property located in
11 Chicago, Illinois titled in the name of John C. Larkin ("J.C.
12 Larkin"), M. Larkin and Larkin ("Chicago Property"), APN 20-14-201-
13 079-1054, including all appurtenances, improvements, and attachments
14 thereon, as well as all leases, rents, and profits derived therefrom;

15 **ASSETS HELD BY OR FOR THE BENEFIT OF JOHN BRUNST:**

16 gg. \$359,527.06 seized from Compass Bank account number `3825
17 ("Compass `3825 Funds" or "Account 24"), held in the name of the John
18 Brunst Family Trust;

19 hh. \$5,848,729.00 seized from Alliance Bernstein account `6878
20 ("AB `6878 Funds" or "Account 25"), held in the name of the Brunst
21 Family Trust;

22 ii. \$372,878.00 seized from Alliance Bernstein account `4954
23 ("AB `4954 Funds" or "Account 26"), held in the name of the Brunst
24 Family Trust;

25 jj. \$342,596.00 seized from Alliance Bernstein account `7982
26 ("AB `7892 Funds" or "Account 27"), held in the name of the Brunst
27 Family Trust;

28 kk. \$306,277.00 seized from Alliance Bernstein account `7889

1 ("AB '7889 Funds" or "Account 28"), held in the name of the Brunst
2 Family Trust;

3 ll. \$275,328.00 seized from Alliance Bernstein account '7888
4 ("AB '7888 Funds" or "Account 29"), held in the name of the Brunst
5 Family Trust;

6 mm. \$527,624.00 seized from Alliance Bernstein account '6485
7 ("AB '6485 Funds" or "Account 30"), held in the name of the Brunst
8 Family Trust;

9 **ASSETS HELD BY OR FOR THE BENEFIT OF SCOTT SPEAR:**

10 nn. \$404,374.12 seized from National Bank of Arizona account
11 '0178 ("NBA '0178 Funds" or "Account 31"), held in the name of Scott
12 Spear ("Spear");

13 oo. \$1,925.80 seized from National Bank of Arizona account
14 '0151 ("NBA '0151 Funds" or "Account 32"), held in the name of Spear
15 and Ellona Spear ("E. Spear"); and

16 pp. \$613,573.28 seized from National Bank of Arizona account
17 '3645 ("NBA '3645 Funds" or "Account 33"), held in the name of Spear
18 and E. Spear Family Trust.

19 qq. \$260,283.40 seized from National Bank of Arizona account
20 '6910 ("NBA '6910 Funds" or "Account 34"), held in the name of Spear
21 and E. Spear Family Trust.

22 rr. \$64,552.82 seized from or frozen in Ascensus Broker
23 Services '4301 ("ABS '4301 Funds" or "Account 35"), held in the name
24 of Natasha Spear ("N. Spear").

25 ss. \$56,902.99 seized from or frozen in Ascensus Broker
26 Services '8001 ("ABS '8001 Funds" or "Account 36"), held in the name
27 of N. Spear.

28

1 **FUNDS HELD IN THE NAME OF PRIMUS TRUST**

2 tt. \$16,500,000 seized from K&H account `1210 ("K&H `1210
3 Funds" or "Account 37"), held in the name of Primus Trust, with Lacey
4 being at least one of the beneficiaries of the Trust. The bank is
5 located in Hungary.

6 **FUNDS HELD IN THE NAME OF GOLD LEAF SRO**

7 uu. €1,680,028.85 seized from Fio account `2226 ("Fio `2226
8 Funds" or "Account 38"), held in the name of the Gold Leaf SRO. The
9 bank is located in the Czech Republic;

10 vv. £60.98 seized from Fio account `2231 ("Fio `2231 Funds" or
11 "Account 39"), held in the name of the Gold Leaf SRO. The bank is
12 located in the Czech Republic;

13 ww. \$72.87 seized from Fio account `2230 ("Fio `2230 Funds" or
14 "Account 40"), held in the name of the Gold Leaf SRO. The bank is
15 located in the Czech Republic;

16 **FUNDS HELD IN THE NAME OF PROTECCTIO SRO**

17 xx. €3,213,937.82 seized from Fio account `4194 ("Fio `4194
18 Funds" or "Account 41"), held in the name of the Protecctio SRO. The
19 bank is located in the Czech Republic;

20 yy. \$52.90 seized from Fio account `4196 ("Fio `4196 Funds" or
21 "Account 42"), held in the name of the Protecctio SRO. The bank is
22 located in the Czech Republic;

23 zz. £52.65 seized from Fio account `4198 ("Fio `4198 Funds" or
24 "Account 43"), held in the name of the Protecctio SRO. The bank is
25 located in the Czech Republic;

26 **FUNDS HELD IN THE NAME OF VARICOK COMPANY SRO**

27 aaa. €605,976.95 seized from Fio account `8083 ("Fio `8083
28 Funds" or "Account 44"), held in the name of the Varicok Company SRO.

1 The bank is located in the Czech Republic;

2 bbb. £458.99 seized from Fio account '8086 ("Fio '8086 Funds" or
3 "Account 45"), held in the name of the Varicok Company SRO. The bank
4 is located in the Czech Republic;

5 ccc. \$48.10 seized from Fio account '8080 ("Fio '8080 Funds" or
6 "Account 46"), held in the name of the Varicok Company SRO. The bank
7 is located in the Czech Republic.

8 **FUNDS HELD IN THE NAME OF AD TECH BV**

9 ddd. Any and all funds seized from Bank Frick account 'K000 K
10 ("BF 'K000 K Funds" or "Account 47") on or about June 1, 2018, held
11 in the name of Ad Tech BV. The bank is located in the Principality
12 of Liechtenstein;

13 eee. Any and all funds seized from Bank Frick account 'K000 U
14 ("BF 'K000 U Funds" or "Account 48") on or about June 1, 2018, held
15 in the name of Ad Tech BV. The bank is located in the Principality
16 of Liechtenstein;

17 fff. Any and all funds seized from Bank Frick account 'K000 E
18 ("BF 'K000 E Funds" or "Account 49") on or about June 1, 2018, held
19 in the name of Ad Tech BV. The bank is located in the Principality
20 of Liechtenstein;

21 ggg. Any and all funds seized from Bank Frick account 'K001 K
22 ("BF 'K001 K Funds" or "Account 50") on or about June 1, 2018, held
23 in the name of Ad Tech BV. The bank is located in the Principality
24 of Liechtenstein.

25 **FUNDS HELD IN THE NAME OF PROCOP SERVICES BV**

26 hhh. Any and all funds seized from Knab Bank account '7664 ("KB
27 '7664 Funds" or "Account 51") on or about May 24, 2018, held in the
28 name of Procop Services BV. The bank is located in the Kingdom of

1 the Netherlands.

2 **FUNDS HELD IN THE NAME OF GULIETTA GROUP BV**

3 iii. Any and all funds seized from Rabo Bank account `2452 ("RB
4 `2452 Funds" or "Account 52") on or about May 24, 2018, held in the
5 name of the Gulietta Group BV. The bank is located in the Kingdom of
6 the Netherlands.

7 **FUNDS HELD IN THE NAME OF UNIVERSADS BV**

8 jjj. Any and all funds seized from Rabo Bank account `4721 ("RB
9 `4721 Funds" or "Account 53") on or about May 24, 2018, held in the
10 name of the UniversAds BV. The bank is located in the Kingdom of the
11 Netherlands.

12 **FUNDS HELD IN THE NAME OF OLIST OU**

13 kkk. Any and all funds seized from LHV Pank account number `4431
14 ("LHVP `4431 Funds" or "Account 54") on or about June 15, 2018, held
15 in the name of Olist Ou ("Ou"). The bank is located in the Republic
16 of Estonia.

17 **FUNDS HELD IN THE NAME OF CASHFLOWS EUROPE LIMITED**

18 lll. £747,664.15 seized from Saxo Payments account `1262 ("SP
19 `1262 Funds" or "Account 55"), held in the name of the Cashflows
20 Europe Limited ("Cashflows"). Cashflows is holding these funds for
21 the benefit of Gulietta Group B.V., Universads B.V, Procop Services
22 B.V., and Proteccio SRO, each of which is an entity owned or
23 controlled by Backpage (defined below). United Kingdom law
24 enforcement officials have restrained the funds held by these four
25 companies and consolidated them into this Saxo Payments account. The
26 bank is located in the United Kingdom.

1 **ASCIO/WMB INC DOMAIN NAMES⁵**

2 mmm. atlantabackpage.com; backpage.be; backpage.com;
3 backpage.com.br; backpage.cz; backpage.dk; backpage.ee; backpage.es;
4 backpage.fi; backpage.fr; backpage.gr; backpage.hu; backpage.ie;
5 backpage.it; backpage.lt; backpage.mx; backpage.net; backpage.no;
6 backpage.pl; backpage.pt; backpage.ro; backpage.si; backpage.sk;
7 backpage.us; backpage-insider.com; bestofbackpage.com;
8 bestofbigcity.com; bigcity.com; chicagobackpage.com;
9 denverbackpage.com; newyorkbackpage.com;
10 phoenixbackpage.com;sandiegobackpage.com;seattlebackpage.com; and
11 tampabackpage.com (collectively, the "Seized Domain Names"), and all
12 rights and privileges associated therewith.

13 **SURRENDERED⁶ DOMAIN NAMES**

14 nnn. admoderation.com; admoderators.com; adnet.ws;
15 adplace24.com; adplaces24.com; adpost24.com; adpost24.cz;
16 adquick365.com; adreputation.com; ads-posted-mp.com; adsplace24.com;
17 adspot24.com; adspots24.com; adsspot24.com; adtechbv.co.nl;
18 adtechbv.com; adtechbv.nl; advert-ep.com; adverts-mp.com; axme.com;
19 back0age.com; backpa.ge; backpae.com; backpage-insider.com;
20 backpage.adult; backpage.ae; backpage.at; backpage.ax; backpage.be;
21 backpage.bg; backpage.bg; backpage.ca; backpage.cl; backpage.cn;

22 _____
23 ⁵ Backpage, which operated principally online, controlled
24 numerous internet domain names. These domain names were registered
25 by "ASCIO TECHNOLOGIES INC" DBA "NETNAMES," a domain registrar.
26 Domain registrars serve to ensure that a registered domain name is
27 not licensed to more than one user. Domain registration allows the
28 owner of the domain to direct internet traffic to a specific
29 webserver.

30 ⁶ On April 5, 2018, in the District of Arizona, Backpage.com,
31 LLC and related entities plead guilty to 18 U.S.C. § 1956(h) (money
32 laundering conspiracy). Pursuant to its guilty plea, Backpage
33 surrendered certain assets, including those identified herein.

1 backpage.cn; backpage.co.id; backpage.co.nl; backpage.co.nl;
2 backpage.co.nz; backpage.co.uk; backpage.co.ve; backpage.co.za;
3 backpage.com; backpage.com.ar; backpage.com.au; backpage.com.ph;
4 backpage.cz; backpage.dk; backpage.ec; backpage.ee; backpage.ee;
5 backpage.es; backpage.fi; backpage.fi; backpage.fr; backpage.fr;
6 backpage.gr; backpage.gr; backpage.hk; backpage.hk; backpage.hu;
7 backpage.hu; backpage.ie; backpage.in; backpage.it; backpage.jp;
8 backpage.kr; backpage.lt; backpage.lv; backpage.lv; backpage.me;
9 backpage.mx; backpage.my; backpage.net; backpage.nl; backpage.no;
10 backpage.no; backpage.nz; backpage.pe; backpage.ph; backpage.pk;
11 backpage.pl; backpage.porn; backpage.pt; backpage.ro; backpage.ro;
12 backpage.se; backpage.sex; backpage.sg; backpage.si; backpage.si;
13 backpage.sk; backpage.sk; backpage.sucks; backpage.tw; backpage.uk;
14 backpage.uk.com; backpage.us; backpage.vn; backpage.xxx;
15 backpage.xyz; backpagecompimp.com; backpagecompimps.com;
16 backpagepimp.com; backpagepimps.com; backpageg.com; backpagegm.com;
17 backpagu.com; backpaoe.com; backpawe.com; backqage.com; backrage.com;
18 backxage.com; bakkpage.com; bcklistings.com; bestofbackpage.com;
19 bestofbigcity.com; bickpage.com; bigcity.com; bpclassified.com;
20 bpclassifieds.com; carlferrer.com; clasificadosymas.com;
21 clasificadosymas.net; clasificadosymas.org;
22 classifiedsolutions.co.uk; classifiedsolutions.net;
23 classyadultads.com; columbusbackpage.com; connecticutbackpage.com;
24 cracker.co.id; cracker.com; cracker.com.au; cracker.id;
25 cracker.net.au; crackers.com.au; crackers.net.au; ctbackpage.com;
26 dallasbackpage.com; denverbackpage.com; easypost123.com;
27 easyposts123.com; emais.com.pt; evilempire.com; ezpost123.com;
28 fackpage.com; fastadboard.com; guliettagroup.nl; http.org;

1 ichold.com; internetspeechfoundation.com;
2 internetspeechfoundation.org; loads2drive.com; loadstodrive.com;
3 loadtodrive.com; losangelesbackpage.com; mediafilecloud.com;
4 miamibackpage.com; minneapolisbackpage.com; mobileposting.com;
5 mobilepostings.com; mobilepostlist.com; mobilposting.com; naked.city;
6 nakedcity.com; newyorkbackpage.com; paidbyhour.com; petseekr.com;
7 petsfindr.com; phoenixbackpage.com; posteasy123.com; postfaster.com;
8 postfastly.com; postfastr.com; postonlinewith.com; postonlinewith.me;
9 postseasy123.com; postsol.com; postszone24.com; postzone24.com;
10 postzones24.com; rentseekr.com; results911.com; sandiegobackpage.com;
11 sanfranciscobackpage.com; seattlebackpage.com; sellyostuffonline.com;
12 sfbackpage.com; simplepost24.com; simpleposts24.com; svc.ws;
13 truckrjobs.com; ugctechgroup.com; universads.nl;
14 villagevoicepimps.com; websitetechologies.co.uk;
15 websitetechologies.com; websitetechologies.net;
16 websitetechologies.nl; websitetechologies.org; weprocessmoney.com;
17 wst.ws; xn--yms-fla.com; ymas.ar.com; ymas.br.com; ymas.br.com;
18 ymas.bz; ymas.bz; ymas.cl; ymas.cl; ymas.co.bz; ymas.co.bz;
19 ymas.co.cr; ymas.co.cr; ymas.co.ni; ymas.co.ni; ymas.co.ve;
20 ymas.co.ve; ymas.com; ymas.com.br; ymas.com.br; ymas.com.bz;
21 ymas.com.bz; ymas.com.co; ymas.com.co; ymas.com.do; ymas.com.do;
22 ymas.com.ec; ymas.com.ec; ymas.com.es; ymas.com.es; ymas.com.gt;
23 ymas.com.gt; ymas.com.hn; ymas.com.hn; ymas.com.mx; ymas.com.ni;
24 ymas.com.ni; ymas.com.pe; ymas.com.pe; ymas.com.pr; ymas.com.pr;
25 ymas.com.pt; ymas.com.uy; ymas.com.uy; ymas.com.ve; ymas.com.ve;
26 ymas.cr; ymas.cr; ymas.do; ymas.do; ymas.ec; ymas.ec; ymas.es;
27 ymas.es; ymas.org; ymas.pe; ymas.pe; ymas.pt; ymas.us; ymas.us;
28 ymas.uy; ymas.uy; and ymas.uy.com (collectively, the "Surrendered

1 Domain Names"), and all rights and privileges associated therewith.

2 **OTHER BACKPAGE SURRENDERED ASSETS**

3 ooo. \$699,940.00 surrendered on or about April 6, 2018, from ING
4 Bank account `7684, ("ING `7684 Funds"), held in the name of Payment
5 Solutions BV.

6 ppp. \$106,988.41 surrendered on or about April 6, 2018, from ING
7 Bank account `2071 ("ING `2071 Funds"), held in the name of Payment
8 Solutions BV.

9 qqq. \$499,910.01 surrendered on or about April 6, 2018, from US
10 Bank account `0239 ("US Bank `2039 Funds"), held in the name of
11 Affordable Bail Bonds LLC.

12 rrr. \$50,000.00 surrendered on or about April 6, 2018, from
13 Enterprise Bank and Trust account `7177 ("EBT `7177 Funds"), held in
14 the name of Global Trading Solutions LLC.

15 sss. \$1,876.36 surrendered on or about August 23, 2018, from ING
16 Bank account `2071 ("ING `2071 Funds"), held in the name of Payment
17 Solutions BV.

18 ttt. \$50,357.35 surrendered on or about August 24, 2018, from
19 ING Bank account `7684 ("ING `7684 Funds"), held in the name of
20 Payment Solutions BV.

21 uuu. \$248,970.00 surrendered on or about May 11, 2018, from
22 Citibank NA, account `0457 ("Citibank NA `0457 Funds"), held in the
23 name of Paul Hastings LLP.

24 vvv. \$52,500.00 surrendered on or about June 25, 2018, from
25 Enterprise Bank and Trust account `7177 ("EBT `7177 Funds"), held in
26 the name of Global Trading Solutions LLC.

27 www. \$65,000.00 surrendered on or about July 18, 2018, from
28 Enterprise Bank and Trust account `7177 ("EBT `7177 Funds"), held in

1 the name of Global Trading Solutions LLC.

2 xxx. \$5,534.54 surrendered on or about August 9, 2018, from
3 Enterprise Bank and Trust account '7177 ("EBT '7177 Funds"), held in
4 the name of Global Trading Solutions LLC.

5 yyy. \$40,000.00 surrendered on or about July 16, 2018, from
6 Crypto Capital

7 zzz. 6 Bitcoins surrendered on or about April 6, 2018, from a
8 Backpage controlled wallet;

9 aaaa. 199.99995716 Bitcoins surrendered on or about April 6,
10 2018, from a Backpage controlled wallet;

11 bbbb. 404.99984122 Bitcoins surrendered on or about April 6,
12 2018, from a Backpage controlled wallet;

13 cccc. 173.97319 Bitcoins surrendered on or about April 26,
14 2018, from a Backpage controlled wallet;

15 dddd. 411.00019 Bitcoins surrendered on or about April 13,
16 2018, from a Backpage controlled wallet;

17 eeee. 2.00069333 Bitcoins surrendered on or about May 7,
18 2018, from a Backpage controlled wallet;

19 ffff. 136.6544695 Bitcoins surrendered on or about June 15,
20 2018, from a Backpage controlled wallet;

21 gggg. 2,673.59306905 Bitcoins Cash surrendered on or about
22 April 26, 2018, from a Backpage controlled wallet;

23 hhhh. 55.5 Bitcoins Cash surrendered on or about May 3,
24 2018, from a Backpage controlled wallet;

25 iiiii. 73.62522241 Bitcoins Cash surrendered on or about June
26 15, 2018, from a Backpage controlled wallet;

27 jjjjj. 16,310.79413202 Litecoins surrendered on or about
28 April 26, 2018, from a Backpage controlled wallet;

1 kkkk. 783.9735116 Litecoins surrendered on or about June 15,
2 2018, from a Backpage controlled wallet;

3 llll. 509.81904619 Bitcoins Gold surrendered on or about
4 June 21, 2018, from a Backpage controlled wallet; and

5 mmmm. \$3,713,121.03 surrendered on or about August 13, 2018,
6 from Bank of America account '3414, held in the name of Davis Wright
7 Tremaine, LLP.

8 **NATURE OF THE ACTION AND CLAIMS FOR RELIEF**

9 5. This is a civil action *in rem* to forfeit assets derived
10 from or traceable to proceeds of one or more crimes defined as
11 "specified unlawful activity" ("SUA"); and/or involved in one or more
12 conspiracies to launder money, internationally launder money for
13 promotion of one or more SUA, and/or financial transactions involving
14 illicit proceeds. The property sought for forfeiture is located in
15 the United States and abroad, including the Country of Hungary, the
16 Czech Republic, the Principality of Liechtenstein, and the Kingdom of
17 the Netherlands.

18 6. The Subject Assets, including the Defendant Assets,
19 represent property derived from or traceable to proceeds to multiple
20 knowing violations of federal laws constituting SUA, including 18
21 U.S.C. §§ 1591 (Sex Trafficking of Children) and 1952 (Interstate and
22 Foreign Travel in Aid of Racketeering Enterprise). The Defendant
23 Assets are therefore subject to forfeiture pursuant to 18 U.S.C. §
24 981(a)(1)(C).

25 7. Further, the Subject Assets, including the Defendant
26 Assets, represent property involved in or traceable to one or more
27 transactions or attempted transactions in violation of:

28 a. 18 U.S.C. § 1956(a)(1)(B)(i) (Money Laundering for

1 Concealment) and a conspiracy to commit such offenses, in violation
2 of 18 U.S.C. § 1956(h);

3 b. 18 U.S.C. § 1956(a)(2) (International Money Laundering for
4 Promotion) and a conspiracy to commit such offenses, in violation of
5 18 U.S.C. § 1956(h); and

6 c. 18 U.S.C. § 1957 (Monetary Transactions with Proceeds of
7 SUA) and a conspiracy to commit such offenses, in violation of 18
8 U.S.C. § 1956(h)

9 The Defendant Assets are therefore subject to forfeiture pursuant to
10 18 U.S.C. § 981(a)(1)(A).

11 **JURISDICTION AND VENUE**

12 8. This civil forfeiture action is brought pursuant to 18
13 U.S.C. § 981(a)(1).

14 9. This Court has jurisdiction over this matter pursuant to 28
15 U.S.C. §§ 1345 and 1355.

16 10. Venue lies in this district pursuant to 28 U.S.C. §§
17 1355(b)(1)(A) or 1355(b)(2) because acts and omissions giving rise to
18 the forfeiture took place in the Central District of California
19 and/or 28 U.S.C. § 1395(b), because certain of the Subject Assets are
20 located in the Central District of California.

21 **INDIVIDUALS AND ENTITIES**

22 11. Backpage.com, LLC, ("Backpage") incorporated in Delaware in
23 2004, was an internet-based company that allowed customers to post
24 on-line classified advertisements. These advertisements were posted
25 in a variety of categories, including adult, automotive, community,
26 dating, jobs, local places, musicians, rentals and services. Prior
27 to its closure by federal law enforcement authorities in April 2018,
28 Backpage was visited by 75 to 100 million unique internet visitors

1 per month.

2 12. Between 2004 and April 2018, Backpage realized annual
3 profits of tens of millions of dollars from adult advertisements.
4 Historically, the adult category, where Backpage advertisers posted
5 sex trafficking ads, made up less than ten percent of all the
6 website's advertisements. However, those ads generated more than 90
7 percent of Backpage's revenue.

8 13. Lacey was a co-creator of Backpage.com who was responsible
9 for the website's policies and strategic direction. Lacey maintained
10 significant control over the website during the relevant period
11 described in this complaint, and continued to receive tens of
12 millions of dollars in Backpage-related distributions even after
13 purportedly selling his interest in Backpage in 2015.

14 14. Larkin was a co-creator of Backpage.com who was responsible
15 for the website's policies and strategic direction. Larkin
16 maintained significant control over the website during the relevant
17 period described in this complaint, and continued to receive tens of
18 millions of dollars in Backpage-related distributions even after
19 purportedly selling his interest in Backpage in 2015.

20 15. Carl Ferrer ("Ferrer"), though not an original owner, was a
21 co-creator and one of the original officers of Backpage, having
22 initially served as Backpage's vice-president, and later as CEO.
23 Ferrer is also the CEO of several Backpage-related entities in the
24 Netherlands, including "Website Technologies," "Amstel River
25 Holdings," and "Ad Tech BV."

26 16. John "Jed" Brunst ("Brunst") was a minority owner of
27 Backpage who owned 5.67 percent of the company at the time of its
28 inception. Brunst served as the Chief Financial Officer of Backpage

1 and several of Backpage's parent companies.

2 17. Spear was a minority owner of Backpage who owned 4.09
3 percent of the company at the time of its inception. Spear served as
4 Executive Vice President of one of Backpage's parent companies.

5 18. "M.G." had no formal position at Backpage, but was the
6 President, Chief Executive Officer, Treasurer, and Secretary of
7 Posting Solutions LLC, a wholly owned Backpage subsidiary with a
8 principal place of business in Dallas, Texas ("Posting Solutions"),
9 which accepted payments from Backpage advertisers. M.G. was also the
10 Chief Financial Officer of Website Technologies, and directed and
11 controlled many of the international and domestic financial
12 transactions of Backpage and its related entities.

13 19. Daniel Hyer ("Hyer") served as Backpage's Sales and
14 Marketing Director. He remained an account signatory for numerous
15 Backpage-controlled entities, including Website Technologies, until
16 Backpage's closure.

17 20. Andrew Padilla ("Padilla") served as Backpage's Operations
18 Manager.

19 21. Joye Vaught ("Vaught") served as Backpage's assistant
20 Operations Manager.

21 22. Lacey, Larkin, Ferrer, Brunst, Spear, M.G., Hyer, Padilla,
22 and Vaught are referred to collectively herein as "Backpage
23 Operators."

24 **EVIDENCE SUPPORTING FORFEITURE**

25 **I. The Formation and Evolution of Backpage**

26 23. Lacey and Larkin were the founders of the *Phoenix New*
27 *Times*, an alternative newspaper based in Arizona. Lacey and Larkin
28 subsequently acquired several other alternative newspapers that they

1 operated through an entity called Village Voice Media Holdings
2 ("VVMH"). Spear served as VVMH's Executive Vice President and Brunst
3 served as VVMH's Chief Financial Officer.

4 24. As far back as the 1980's, VVMH publications routinely
5 included ads for prostitution.

6 25. By 2000, the popularity of the website www.craigslist.com
7 ("Craigslist"), which offered free classified ads that included
8 prostitution ads, began to disrupt VVMH's business, which depended on
9 classified advertising revenue.

10 26. Lacey and Larkin, assisted by Ferrer, sought to address
11 this disruption by creating Backpage, which would compete directly
12 with Craigslist. As stated in an internal Backpage document, "[I]n
13 2004, in response to the Craigslist threat that was decimating daily
14 newspapers, VVMH launched its own online classified site,
15 Backpage.com, named after the back page of VVMH's print publication."

16 27. From 2004 until 2015, Lacey and Larkin bore primary
17 responsibility for Backpage's policies and strategic direction. In
18 2015, Lacey and Larkin purported to sell to Ferrer all or
19 substantially all of their respective interests in Backpage. In
20 fact, Lacey and Larkin retained significant control over Backpage,
21 and both continued to receive millions of dollars of annual
22 distributions of Backpage revenue after the purported sale.

23 28. From its inception, most of Backpage's earnings represented
24 the proceeds of illegal activity, specifically prostitution and sex
25 trafficking, including child sex trafficking. By 2015, the major
26 credit card companies were refusing to process payments to or for
27 Backpage, and banks were closing Backpage's accounts out of concern
28 the accounts were being used for illegal purposes.

1 29. In response to these measures, the Backpage Operators
2 initiated and pursued a wide variety of money laundering strategies
3 and techniques designed, in part, to conceal the source and location
4 of the revenues generated by Backpage ads, including ads for human
5 trafficking and illegal prostitution. These strategies included (a)
6 instructing customers to send checks and money orders to a Post
7 Office box, funneling those funds into bank accounts held in the
8 names of entities with no apparent connection to Backpage, and then
9 giving customers a corresponding "credit" to purchase Backpage ads;
10 (b) accepting Backpage proceeds through foreign bank accounts and
11 thereafter redirecting the funds to Backpage Operators in the U.S.
12 and abroad, or transferring the funds back to domestic bank accounts
13 (to conceal the nature, source, location, ownership and control of
14 those funds and promote Backpage's ongoing illegal operations); and
15 (c) converting customers payments and the proceeds of Backpage's
16 illegal business into and out of digital currency.⁷

17 **II. The Sources and Manipulation of Backpage Criminal Proceeds**

18 **A. Backpage Promotion of Prostitution and Sex Trafficking**

19 30. Numerous Backpage ads were used to sell minors for sex and
20 forcibly traffic adult women for sex. Among the pimps and sex
21 traffickers who used Backpage to advertise their victims were many
22 who were later convicted of sex trafficking offenses. For example,

23 a. During 2014 and 2015, a pimp sold S.F., a minor girl, for
24

25 ⁷ Digital currency (also known as crypto-currency) is generally
26 defined as an electronic-sourced unit of value that can be used as a
27 substitute for fiat currency (*i.e.*, currency created and regulated by
28 a sovereign government). It exists entirely on the Internet and is
not stored in any physical form. It is not issued by any government,
bank, or company, but is instead generated and controlled through
computer software operating on a decentralized peer-to-peer network.
Bitcoins, Bitcoins Cash and Litecoin are types of crypto-currency.

1 sex. The pimp advertised S.F. on Backpage's "Escort" section in the
2 Los Angeles area of California and in Arizona. The ad contained
3 phrases such as "New In Town" and "Sexy Dark Asian Bombshell with a
4 Nice & Tight {Booty}." The ad selling S.F. on Backpage included
5 multiple pictures showing her legs, stomach, shoulders and buttocks.
6 The pimp who placed the ad was ultimately arrested, convicted on
7 state sex trafficking charges, and sentenced to 196 years
8 imprisonment.

9 b. During 2014 and 2015, the same pimp sold A.C., a minor
10 girl, for sex. In November 2014, at the age of 17, A.C. was first
11 sold for sex through a Backpage ad using phrases such as "NEW IN
12 TOWN," "sexy sweet," and "sweet like honey but super hot like fire."
13 The Backpage ad selling A.C. included pictures of her showing her
14 legs, stomach, shoulder, and buttocks, and posed in sexually
15 provocative positions.

16 c. Between November and December 2015, a pimp drove two women
17 and four minor girls (T.S., S.L., K.O., and R.W.) from Columbus, Ohio
18 to a hotel in St. Charles, Missouri. The next day, the pimp told the
19 girls to post ads on Backpage.com. Some of the girls took calls and
20 engaged in paid sex acts with Backpage customers who responded to the
21 ads. The ads the girls posted included pictures of them on a bed
22 showing their buttocks. Another image featured a naked girl's body
23 pressed against a mirror. Other pictures appeared more mundane, such
24 as images of girls posing clothed in front of a mirror. However,
25 these ads used phrases like "I'm sweet as a treat maybe even sweeter"
26 and "not a lot need to be said. my pic are 100% real." In 2017, this
27 pimp was convicted of Federal sex trafficking charges and sentenced
28 to 300 months in prison.

1 d. In or around 2010, in Washington, J.S., a minor girl, was
2 sold for sex through the use of Backpage ads. J.S.'s pimp drafted
3 the ads, which contained words and phrases such as,
4 "W'E'L'L_W'O'R'T'H_I'T***^***150HR" and "IT WONT TAKE LONG AT ALL."
5 The ads included pictures of J.S. in provocative positions showing
6 her breasts and buttocks. On March 29, 2011, the pimp who sold J.S.
7 for sex was sentenced to over 26 years imprisonment on Federal
8 charges related to sex trafficking.

9 e. Between 2011 and 2016, a female victim, D.O., who was
10 between the ages of 14 and 19 during those years, was sold for sex
11 through Backpage ads. D.O.'s female pimp instructed D.O. that
12 Backpage was the safest place to advertise because Backpage did not
13 require age verification. D.O.'s Backpage ads included words and
14 phrases that were indicative of prostitution, such as "roses" (money)
15 and "back door" (anal sex). Some of the customers who responded to
16 D.O.'s Backpage ads forced D.O. to perform sexual acts at gunpoint,
17 choked her to the point of having seizures, and gang-raped her.

18 31. Plaintiff alleges that all levels of Backpage management,
19 including the Backpage Operators, were aware of Backpage's role in
20 promoting criminal activity. For example:

21 a. On September 21, 2010, a group of state attorneys general
22 ("AG") wrote a letter to Backpage observing that "ads for
23 prostitution-including ads trafficking children-are rampant on the
24 site," and arguing that "[b]ecause Backpage cannot, or will not,
25 adequately screen these ads, it should stop accepting them
26 altogether." The state AGs acknowledged that this step would cause
27 Backpage to, "lose the considerable revenue generated by the adult
28 services ads," but stated that "no amount of money can justify the

1 scourge of illegal prostitution, and the misery of the women and
2 children who will continue to be victimized in the marketplace
3 provided by Backpage."

4 b. Also in mid-September 2010, Ferrer wrote an email
5 explaining that Backpage was unwilling to delete ads that included
6 terms indicative of prostitution because doing so would "piss[] off a
7 lot of users who will migrate elsewhere," and force Backpage to
8 refund those customers' fees.

9 c. In January 2017, the U.S. Senate Subcommittee on Permanent
10 Investigations ("Subcommittee") conducted a lengthy investigation
11 into sex trafficking and Backpage, resulting in a 50-page report
12 entitled "Backpage.com's Knowing Facilitation of Online Sex
13 Trafficking." The report concluded, among other things, that
14 virtually all of Backpage's "adult" ads were actually solicitations
15 for illegal prostitution services and that "Backpage [] maintained a
16 practice of altering ads before publication by deleting words,
17 phrases, and images indicative of criminality, including child sex
18 trafficking Those practices served to sanitize the content
19 of innumerable advertisements for illegal transactions-even as
20 Backpage represented to the public and the courts that it merely
21 hosted content others had created." In response to the
22 Subcommittee's report, Backpage purported to shut down the "adult"
23 section of its website. However, a review of several thousand
24 Backpage ads demonstrated that the prostitution ads simply migrated
25 to other sections of the website, where they remained accessible
26 until the site was forced to shut down.

27 d. On August 5, 2011, Backpage received a letter from the
28 mayor of Seattle. This letter warned, "Seattle Police have

1 identified an alarming number of juvenile prostitutes advertised on
2 Backpage.com since January 2010," and explained that Backpage was
3 dissimilar from other companies whose products and services are
4 "occasionally or incidentally" utilized by criminals because "[y]our
5 company is in the business of selling sex ads" and "your services are
6 a direct vehicle for prostitution." The letter recommended that
7 Backpage require in-person age verification for all of the "escorts"
8 depicted in its ads. Backpage never instituted an in-person age
9 verification requirement.

10 32. Backpage instituted and maintained policies and procedures
11 designed to cultivate and sustain its promotion of sex trafficking
12 and prostitution, but which "sanitized" some of the language Backpage
13 customers used to advertise in order to make the advertising of sex
14 trafficking less overt. Backpage referred to this practice as
15 "moderation." For example:

16 a. In April 2008, Ferrer wrote an email explaining that,
17 although he (Ferrer) was "under pressure to clean up Phoenix's adult
18 content," he was unwilling to delete prostitution ads because doing
19 so "would put us in a very uncompetitive position with craig[slist]"
20 and result in "lost pageviews and revenue." Ferrer instructed
21 Backpage's technical staff to edit the wording of such ads by
22 removing particular terms that were indicative of prostitution, but
23 allow the remainder of the ad to be featured on Backpage's website.

24 b. On October 8, 2010, a Backpage manager sent an email to
25 certain Backpage employees and managers threatening to fire any
26 Backpage employee who acknowledged, in writing, that a customer was
27 advertising prostitution: "Leaving notes on our site that imply that
28 we're aware of prostitution, or in any position to define it, is

1 enough to lose your job over. . . . This isn't open for discussion.
2 If you don't agree with what I'm saying completely, you need to find
3 another job."

4 c. On October 16, 2010, the same Backpage manager sent an
5 email to a large group of Backpage employees that contained two
6 attachments providing guidance on how to "moderate" ads. The first
7 was a PowerPoint presentation that displayed a series of 38 nude and
8 partially-nude photographs, some of which depicted graphic sex acts.
9 Next to each picture was an instruction as to whether it should be
10 approved or disapproved by a Backpage moderator. These instructions
11 included "Approve. Nude rear shots are okay as long the model is not
12 exposing her anus or genitalia." and "Approve. Rear shot okay.
13 Transparent wet panties okay." The second attachment was an Excel
14 spreadsheet identifying 50 terms (all of which were indicative of
15 prostitution) that should be "stripped" from ads before publication.
16 The Backpage manager concluded the email by stating, "[I]t's the
17 language in ads that's really killing us with the Attorneys General.
18 Images are almost an afterthought to them."

19 d. On October 16, 2010, the same Backpage manager sent an
20 internal email explaining, "I'd like to still avoid Deleting ads when
21 possible;" "we're still allowing phrases with nuance;" and "[i]n the
22 case of lesser violations, editing should be sufficient."

23 e. On October 25, 2010, Ferrer sent an email to Padilla
24 acknowledging that the "[i]llegal content removed" through Backpage's
25 moderation processes was "usually money for sex act." This email
26 also explained that, after the "sex act pics are removed," the "ad
27 text may stay."

28 f. On October 27, 2010, a different Backpage manager sent an

1 internal email stating that Backpage was "editing 70 to 80%" of the
2 ads it received from customers.

3 g. On June 7, 2011, Ferrer received an inquiry from a law
4 enforcement official about a particular ad that included the term
5 "amber alert." In response, Ferrer acknowledged this might be "some
6 kind of bizarre new code word for an under aged person." Ferrer then
7 forwarded this exchange to a Backpage manager and instructed that the
8 term "amber alert" be added to Backpage's "strip out" list.

9 h. On August 31, 2011, Backpage managers exchanged emails in
10 which they discussed a list of 100 "solid sex for money terms."
11 Later emails indicate that this list of terms changed but, in
12 general, the list prohibited use of certain terms that Backpage
13 management and employees closely identified with the obvious
14 promotion of sex trafficking and prostitution.

15 i. One Backpage manager acknowledged in the August 31, 2011
16 email exchange that a large proportion of the ads originally
17 submitted by Backpage's customers contained text and pictures that
18 were indicative of sex trafficking. Nevertheless, Backpage published
19 those ads after editing them to appear less obvious in promoting
20 illegal activity. Backpage sex trafficking ads adapted to Backpage's
21 moderation policy by using "phrases with nuance" when promoting sex
22 trafficking. Following the implementation of "moderation,"
23 Backpage's list of prohibited terms changed and evolved over time to
24 adjust to Backpage advertisers' use of new code words to promote
25 prostitution. In other words, once a code word or phrase not
26 previously associated with sex-for-money became too familiar, or was
27 deemed too closely associated with certain sex trafficking activities
28 in the Backpage community of advertisers, Backpage's "moderation"

1 policy would be adapted by adding such words or phrases to the
2 "blocked" list or risk being too obvious in its promotion.

3 33. Plaintiff alleges that Backpage's policy of "moderation"
4 only caused ads explicitly promoting sex trafficking to become more
5 coded and implicit in the ads' purpose.

6 a. Well over half of the Backpage classified ads in various
7 Backpage categories used terms and phrases (including "massage,"
8 "dating," "escort" and others) that are consistent with sex
9 trafficking and prostitution. These terms and phrases included,
10 "roses" (money, e.g., "150 roses/half hour"), "in-call" (where the
11 customer goes to the prostitute's location), "outcall" (where the
12 prostitute goes to the customer's location), "GFE" (girlfriend
13 experience), and "PSE" (porn star experience).

14 b. Other Backpage ads used language that was mostly free of
15 coded language, but included sexually provocative images. The
16 sexually suggestive images included in these ads were typical of ads
17 for prostitution. For example, one such ad posted in Backpage's Los
18 Angeles dating section depicted images of a woman on a bed with her
19 buttocks presented in a sexual manner; another included a picture of
20 a woman's cleavage; others included pictures of women posing in
21 sexual positions wearing lingerie and pictures of a woman bending
22 over, revealing her naked buttocks.

23 c. Backpage's policy of moderation had the effect of causing
24 and allowing otherwise neutral or innocuous terms to be understood
25 within the Backpage community as coded language for sex trafficking
26 and prostitution. Because of the evolving use of coded terms, a
27 reader of such ads who was familiar with the particular vocabulary
28 used in Backpage "adult" ads could readily identify coded terms and

1 images indicating an ad for prostitution, while an uninitiated reader
2 may not understand these terms at all, or at least not as being
3 associated with sex-for-money.

4 34. Almost all "adult"-type Backpage ads listed phone numbers
5 or emails that a potential customer could use to make contact with
6 the advertiser. Comparing a sample of phone numbers and emails found
7 within Backpage ads with phone numbers and emails that were
8 frequently included in the memo sections of checks that Backpage
9 advertisers use to pay Backpage for ads, revealed that the same
10 numbers and/or email addresses appeared in multiple Backpage ads as
11 contact information. For example:

12 a. A \$25 USPS Money Order purchased on June 15, 2017, in
13 Duarte, California, made payable to "Posting Solutions PO BOX 802426,
14 Dallas, TX," and thereafter deposited into Account 1, bore a notation
15 listing a phone number and the words "Dulce Latina." A search of
16 Backpage ads showed almost 800 advertisements listing the same phone
17 number.

18 b. A \$20 USPS Money Order purchased in Sacramento, California,
19 and later deposited into Account 1 bore a notation listing a phone
20 number and the words "love my lips." A search of Backpage ads
21 revealed almost 1300 advertisements listing the same phone number.

22 c. A \$150 Wells Fargo Bank Money Order, purchased in Arizona,
23 and made payable to "Posting Solutions," bore an email address and
24 the words, "red hot stuff." The same email address was found to be
25 associated with advertisements on several female escort websites that
26 directed customers to contact an Arizona phone number ending in 2397.
27 A search of Backpage.com for this phone number revealed approximately
28 760 ads that included this phone number. These Backpage ads included

1 images indicative of prostitution. For example, one such ad posted
2 on Backpage's "massage" section included sexual images such as a
3 woman lying on a bed wearing lingerie and a woman laying naked on her
4 stomach. One of the ads described, "Pampering provider | Body Rub
5 Massage | Body Shampoo | Body Scrub | 4 hands | Walk ins or
6 appointment." Legal massage advertisements do not typically depict
7 sexual images. This advertisement depicted sexual images and
8 included terms like "4 hands," which is coded language describing a
9 massage given to a customer by two women. Such advertisements are
10 indicative of prostitution.

11 35. The Backpage ads that shared the same phone number or email
12 address typically also included sexually suggestive images of
13 different women. Such ads are consistent with ads posted by pimps or
14 prostitution agencies that are using the same phone number or email
15 to advertise different women (or girls) to prospective prostitution
16 clients.

17 **B. Payments for Advertising on Backpage**

18 36. In order to post an ad on Backpage, an advertiser had to
19 pay Backpage by one of several methods, including check, cash, and,
20 until about 2015, credit card payments processed through U.S. credit
21 card payment processors. The proceeds from these ads, the vast
22 majority of which were sexually explicit in nature, would then be
23 deposited into various Backpage owned or controlled bank accounts.
24 For example, Backpage's U.S. Bank account '1165, originated in or
25 about April 2010, received several million dollars from the revenue
26 generated from the sale of ads, including ads promoting the
27 trafficking of minors and illegal prostitution.

28 37. However, in or around 2015, following negative publicity

1 associated with Backpage, some of the major credit card companies
2 enacted what Backpage Operators termed a "blockade." Essentially,
3 these companies refused to process credit card payments directed to
4 Backpage. In order to circumvent the blockade, Ferrer and other
5 Backpage Operators set up agreements with foreign persons and
6 partners to "franchise" websites for the sole purpose of accepting
7 credit card payments outside of the United States, with the funds
8 being funneled to Backpage.

9 38. Also in or around 2015, in response to the blockade,
10 Backpage designed a mechanism to allow advertisers to buy Backpage
11 "credits," which could be accomplished in several ways, including:

- 12 a. mailing gift cards, checks, or money orders to "Posting
13 Solutions" at a P.O. Box in Dallas, Texas;
- 14 b. using a credit card to buy credits through a third-party
15 credit card payment processor;
- 16 c. paying with digital currency (specifically, Backpage
17 accepted Bitcoins, Bitcoins Cash, Litecoin, and Ethereum). If the
18 advertiser selected this option, Backpage provided a digital currency
19 wallet address where the advertiser could send the electronic
20 transfer of the digital currency; and
- 21 d. paying with currency through a third party payment
22 processor. Once the third-party payment processor received the
23 currency, it would convert it to digital currency and then
24 electronically transfer that digital currency to a Backpage digital
25 currency wallet.

26 39. Digital Currency was processed through the subject accounts
27 in the following way:

- 28 a. When Backpage received digital currency, it would aggregate

1 the digital currency and then transfer it to a third-party exchanger
2 like GoCoin;⁸

3 b. In exchange for the digital currency, the exchanger would
4 transfer U.S. dollars from its foreign bank account(s) into Backpage
5 operating accounts in the United States or elsewhere. The exchanger
6 could then sell its Bitcoins on various Bitcoins markets.

7 40. Bitcoins payments for ads have resulted in the trafficking
8 of minors for sex. For example:

9 a. On September 6, 2015, a Bitcoins account associated with
10 the owner of the email address later convicted of having trafficked
11 minors for sex paid Backpage about \$4 worth of Bitcoins in order to
12 post an ad promoting the trafficking of certain victims in Palm
13 Springs, California.

14 b. On September 15, 2015, an email from the same email address
15 owner indicated a payment to Backpage of about \$8 worth of Bitcoins
16 in order to "Fund Account"⁹ for palmsprings.backpage.com.

17 c. On October 6, 2015, the same email address owner paid
18 Backpage about \$1 worth of Bitcoins to "Fund Account" on
19 palmsprings.backpage.com.

20 d. On October 30, 2015, a Bitcoins account associated with the
21 owner of the email address who trafficked minors for sex paid
22 Backpage about \$1 worth of Bitcoins in order to post an ad promoting
23

24 ⁸ GoCoin is a digital currency exchanger that converts Bitcoins
25 and another digital currency into fiat currency, like the U.S. Dollar
26 or the Euro. GoCoin is owned by Manx Broadcasting Corporation, based
27 in the Isle of Man. GoCoin has offices in Singapore and Santa
Monica, California, and GoCoin holds bank accounts in several

28 ⁹ The email address owner provided Bitcoins to Backpage as a
"Fund Account" payment, that is, payment to Backpage as credit to be
used later to pay for Backpage ads.

1 the trafficking of certain victims in Columbus, Ohio.

2 e. On November 2, 2015, this same email address owner paid
3 Backpage about \$1 worth of Bitcoins to "Move Ad to Top of Listings"
4 in the Columbus, Ohio Backpage ads.

5 f. On November 21, 2015, this same email address owner paid
6 Backpage about \$1 worth of Bitcoins to Backpage for credit for that
7 email owner's Backpage ad account.

8 41. Plaintiff contends that five to ten percent of the ads
9 posted on Backpage.com were placed within the Central District of
10 California (including Los Angeles and Orange Counties). Between
11 January 10 and February 3, 2016, approximately 500,000 ads were
12 posted on Backpage.com and paid for with Bitcoins, for which Backpage
13 received over \$3,840,000 in revenue. Of these approximately 500,000
14 ads, approximately 28,400 were posted only in
15 LosAngeles.Backpage.com, Ventura.Backpage.com,
16 SanLuisObispo.Backpage.com, OrangeCounty.Backpage.com, and
17 SanGabrielValley.Backpage.com. These specific ads generated
18 approximately \$184,479 in revenue.

19 42. When an advertiser (or "poster") purchased an ad for
20 prostitution using digital currency, the payment to Backpage (and
21 certain subsequent expenditures) proceeded in the following manner:

22 a. A poster would choose a payment method online (e.g.,
23 through Bitcoins payments);

24 b. If the poster did not already have Bitcoins, the Backpage
25 website would direct the poster to a third-party exchanger to buy
26 Bitcoins;

27 c. Backpage would then provide the poster with a wallet
28 address to send a specific amount of Bitcoins;

1 d. In return for sending the required payment, the poster
2 would receive credit that could be used to post ads on Backpage.

3 e. Backpage would sell the Bitcoins to a third party
4 exchanger, frequently GoCoin, in batches, generally valued in
5 hundreds of thousands, of dollars in order to convert the Bitcoins
6 into U.S. or foreign fiat currency, which GoCoin generally, if not
7 always, would hold in foreign bank accounts;

8 f. GoCoin would then wire funds from foreign accounts to
9 either (1) Backpage controlled foreign accounts; or (2) Backpage
10 controlled operating accounts in the United States;

11 g. These accounts were held and controlled by Backpage
12 Operators in the names of entities controlled by Backpage, including
13 Ad Tech BV, Posting Solutions, Website Technologies, and Cereus
14 Properties.

15 h. The funds derived from these foreign transactions would be
16 used by Backpage to pay service providers, like Verizon in Los
17 Angeles, or transferred to Backpage Operators' accounts and accounts
18 held in their family members' names.

19 i. For example:

20 a. In March 2015, Ad Tech BV, a Netherlands based
21 company, listing Ferrer as CEO and M.G. as CFO, opened a bank account
22 in the Liechtenstein (the "Netherlands Account"). M.G. is the
23 President, CEO, Treasurer and Secretary of Posting Solutions. From
24 March 2015 through November 2017, the Netherlands Account received
25 millions of dollars from Binary Trading SG PTE, Limited ("Binary
26 Trading"). On April 4, 2017, M.G. sent an email to employees of the
27 bank that maintains the Netherlands Account. The email explained:

28 Binary Capital is our trading partner, they hold money in
trust for Go Coin [sic]. Rather than incurring 3 sets of

1 wire fees which make our transactions unprofitable, they
2 act as our agent and disburse payments directly from our
3 trust account to our merchant.

4 b. For the period of September 4 through November 23,
5 2015, Backpage advertisers used Bitcoins to purchase about 1,000,000
6 "adult" ads from Backpage. Backpage then sold those Bitcoins to
7 GoCoin for approximately \$8.6 million. Included among the Bitcoins
8 sold to GoCoin during this period were payments pimps made to
9 Backpage to purchase ads to promote child prostitution.

10 c. For the period of December 14, 2015, through August
11 30, 2016, in approximately 154 wires, GoCoin accounts held in
12 Slovakia (the "Slovakia Account") and Singapore Account (the
13 "Singapore Account") transferred a total of approximately
14 \$26,100,235.83 to Branch Banking & Trust account '2008, in Plano,
15 Texas, owned by Website Technology ("Website Tech Account '2008").
16 On January 15, 2016, the Website Tech Account '2008 transferred
17 \$189,571 to Verizon in Los Angeles, California, in payment for
18 Backpage internet services.

19 d. Between January 21 and August 31, 2016, Website Tech
20 Account '2008 sent approximately 27 wire transfers totaling
21 approximately \$48,000,000 to Arizona Bank & Trust account number
22 '6211, belonging to Cereus Properties LLC, which is owned or
23 controlled by Spear, Backpage, and/or other Backpage Operators.

24 **C. Bases for Forfeiture**

25 43. The Defendant Assets constitute, and are derived from,
26 proceeds traceable to one or more violations of: (1) 18 U.S.C. § 1591
27 (Sex Trafficking of Children); and/or (2) U.S.C. § and 1952
28 (Interstate and Foreign Travel in Aid of Racketeering Enterprise),

1 each of which is SUA under 18 U.S.C. § 1956(c)(7)(A), and a
2 conspiracy to commit such offenses.

3 44. The Defendant Assets were involved in, and are traceable to
4 property involved in, one or more transactions or attempted
5 transactions in violation of 18 U.S.C. § 1956(a)(1)(B)(i) and a
6 conspiracy to commit such offenses, in violation of 18 U.S.C.
7 § 1956(h). Specifically, the Defendant Assets were involved in and
8 are traceable to property involved in one or more financial
9 transactions, attempted transactions, or a conspiracy to conduct or
10 attempt to conduct such transactions involving the proceeds of
11 specified unlawful activity, that is, 18 U.S.C. §§ 1591 and 1952, and
12 were designed in whole or in part to conceal or disguise the nature,
13 location, source, ownership or control of the proceeds of the SUA in
14 violation of 18 U.S.C. § 1956(a)(1)(B)(i).

15 45. The Defendant Assets were involved in, and are traceable to
16 property involved in, one or more transactions or attempted
17 transactions in violation of 18 U.S.C. § 1957, or a conspiracy to
18 commit such offenses, in violation of 18 U.S.C. § 1956(h).
19 Specifically, the Defendant Assets were involved in and are traceable
20 to property involved in one or more financial transactions, attempted
21 transactions, or a conspiracy to conduct or attempt to conduct such
22 transactions in criminally derived property of a value greater than
23 \$10,000 that was derived from SUA, that is, 18 U.S.C. §§ 1591 and
24 1952.

25 **III. Assets Representing, Traceable To, and Involved In**
26 **Specified Unlawful Activity**

27 **A. Account 1 (Prosperity `7188 Funds)**

28 46. On February 15, 2017, Posting Solutions opened Account 1.

1 M.G. is the sole signatory on the account (as described above,
2 Posting Solutions is wholly owned by and controlled by Backpage).

3 47. The application for the P.O. Box identifies the renter of
4 the box as "Website Technologies, LLC/Backpage.com." Listed on the
5 Application were the names of several Backpage Operators, including
6 Ferrer.

7 48. Between August 1 and September 1, 2017, Account 1 received
8 more than \$2,781,750 in wire transfers from foreign banks. For
9 example:

10 a. On or about August 16, 2017, Binary Trading wired \$535,500
11 from an account in Singapore into Account 1.

12 b. On or about August 17, 2017, Binary Trading wired \$528,500
13 from a Singapore account into Account 1.

14 c. On or about August 30, 2017, a company named Trilix PTE LTD
15 ("Trilex"), listing the same Singapore address as Binary Trading and
16 GoCoin, sent four wire transfers from the Singapore account into
17 Account 1, ranging from \$385,450 to \$492,250, totaling approximately
18 \$1,717,750.

19 49. Plaintiff alleges that a substantial percentage of outgoing
20 payments from Account 1 have been payments for the operation of
21 Backpage.com. For example, between July and October 2017, funds were
22 wired from Account 1, as following:

23 a. \$570,530 to Verizon Digital Media Services in Los Angeles
24 for services related to the Backpage.com website; and

25 b. \$1,497 to "Backupify," a company that provided data backup
26 services for Backpage.

27
28

CEREUS PROPERTIES ASSETS

B. Account 2 (Compass `3873 Funds)

50. Account 2 was held in the name of Cereus Properties LLC, and Spear was the sole signatory. This account was funded in part with transfers from Account 1, which funds are alleged to have been traceable to SUA, involved in money laundering, or both, and was used as a funnel account to pay Backpage Operators. On average, during each month of 2017, several hundred thousand dollars were transferred from Account 1 to Account 2. For example:

a. On August 31, 2017, Account 1 sent a wire transfer totaling \$487,491.45 to Account 2.

b. On September 15, 2017, Account 1 sent a wire transfer totaling \$91,672.67 to Account 2.

c. On October 2, 2017, Account 1 sent a wire transfer totaling \$471,766 to Account 2.

51. Funds from Account 2 were also used to promote and facilitate prostitution. For example:

a. On December 2, 2016, the Netherlands Account transferred \$324,055.85 to Account 2;

b. On December 8, 2016, the Netherlands Account transferred \$499,970.00 to Account 2;

c. On December 27, 2016, the Netherlands Account transferred \$199,970.00 to Account 2; and

d. From March to December 2017, Account 2 paid over \$9,000 to "Cox Communications," an internet services company that Backpage used to facilitate its internet presence and promote its sale of prostitution advertising.

1 \$676,808.04 into Account 5;

2 b. On June 30, 2017, Account 5 transferred \$600,000 to Account
3 6.

4 c. On October 2, 2017, Account 2 made two transfers:

5 i. \$297,795.54 transferred to Account 4; and

6 ii. \$694,856.25 wired to Account 11

7 d. On April 16, 2018, Lacey personally went into the Republic
8 Bank of Arizona, withdrew \$500,000 from Account 5, and then used that
9 \$500,000 as the initial deposit to open Account 7.

10 e. On or about February 15, 2018, Lacey drafted two \$600,000
11 checks (totaling \$1.2 million). One check was drawn from Account 11,
12 and the second was drawn from Account 4. These two checks were used
13 to fund Accounts 8, 9, and 10, respectively, with \$600,000.00,
14 \$300,000.00, and \$300,000.00.

15 **F. Account 11 (SFFCU `2523 Funds)**

16 55. Account 11 is held in the name of Lacey and an individual
17 listed in the Credit Union's records as Lacey's employee and
18 bookkeeper. Account 11 was funded with proceeds alleged to have been
19 traceable to SUA, involved in money laundering, or both.

20 a. On February 2, 2018, Account 2 (which then contained funds
21 traceable to SUA, involved in money laundering, or both) transferred
22 \$734,602.70 into Account 11.

23 **G. Account 12 (IOLTA `4139)**

24 56. Account 12 was an IOLTA held for the benefit of Lacey, and
25 was funded with proceeds traceable to SUA, involved in money
26 laundering, or both.

27 57. On January 4, 2017, the Singapore Account wired \$489,500
28 into a Posting Solutions controlled account held at Veritex Bank (the

1 "Veritex Account"). On January 20, 2017, the Singapore Account
2 directed two additional wires, for \$358,150 and \$470,150
3 respectively, into the Veritex Account. In total, the Singapore
4 Account transferred \$1,317,800 into the Veritex Account.

5 a. On or about February 23, 2017, the Veritex Account directed
6 two payments to Account 2, a wire of \$443,014, and a check for
7 \$27,887.41.

8 b. Between March 30 and September 14, 2017, Account 2 sent
9 five wires totaling \$4,058,063.65 to Account 12.

10 c. In July 2018, Account 12 was closed and a cashier's check
11 totaling \$2,412,785.47 was issued to Lacey's Annuity Fund, held at
12 Account 12.

13 **H. The Sebastopol Property**

14 58. The Sebastopol Property was purchased and maintained, in
15 whole or in part, using funds traceable to SUA, involved in money
16 laundering, or both.

17 59. In a series of transactions in December 2016, illicit
18 proceeds from the Netherlands Account would pass-through Account 2,
19 eventually ending up in Account 11. Additionally, between July and
20 October 2017, additional illicit proceeds from the Singapore Account
21 were passed-through Account 1 to Account 2, and eventually
22 transferred to Account 11. On or about October 10, 2017, over
23 \$10,000 of funds from Account 11 were used to support and maintain
24 the Sebastopol Property.

25 60. On February 11, 2016, a grant deed, instrument number
26 2016010019 of the Sonoma County official records, transferred the
27 Sebastopol Property to Lacey. Thereafter, on April 24, 2017, for no
28 consideration, Lacey transferred title of the Sebastopol Property to

1 his Delaware limited liability company, Sebastopol, LLC. As noted in
2 the grant deed:

3 "There was no consideration for this transfer. This is a
4 transfer between an individual or individuals and a legal
5 entity or between legal entities that results solely in a
6 change in the method of holding title and in which
7 proportional ownership interests in the realty remain the
8 same. . ."

9 61. On October 10, 2017, Lacey issued a \$12,956.25 check from
10 Account 11 to Sonoma County Tax Collector. The notation on this wire
11 was "2043 Pleasant Hill Dr Sebastopol."

12 **I. San Francisco, California Property 1**

13 62. San Francisco Property 1 was purchased and maintained, in
14 whole or in part, using funds traceable to SUA, involved in money
15 laundering, or both.

16 63. In order to acquire San Francisco Property 2, Lacey used
17 funds transferred through the Singapore Account, the Website Tech
18 Account '2008, and Cereus Properties accounts, as well as annuity
19 accounts that Lacy controlled, as follows:

20 a. Illicit proceeds were deposited into the Singapore Account,
21 passed-through Account 1, then passed-through Account 2 and
22 transferred to Account 11. Thereafter, funds from Account 11 were
23 used to support and maintain San Francisco Property 1.

24 b. On May 18, 2016, grant deed instrument number 2016-K245482-
25 00 of the San Francisco County official records, transferred San
26 Francisco Property 1 to Lacey and his female partner.

27 c. Thereafter, on October 10, 2017, over \$10,000 in funds from
28 Account 11 were used to purchase or maintain San Francisco Property 1.

J. San Francisco Property 2

64. San Francisco Property 2 was purchased and maintained, in

1 whole or in part, using funds traceable to SUA, involved in money
2 laundering, or both.

3 65. During the period of December 14 through December 29, 2015,
4 as GoCoin's partial payment for the Bitcoins Backpage sold it during
5 the period of September 4 through November 23, 2015, the Slovakia
6 Account wired over \$1,250,000 to Website Tech Account `2008.

7 66. After December 14, 2015, Website Tech Account `2008 then
8 transferred funds via multiple pass-through accounts controlled by
9 Lacey and other Backpage Operators, which, as of June 21, 2016,
10 resulted in approximately \$5,400,000 ending up in Arizona Bank &
11 Trust account `1793, controlled by Lacey ("AB&T Account `1793").

12 67. On June 27, 2016, AB&T Account `1793 wired \$397,500.00 to
13 Fidelity National Title Company. The notation on this wire was
14 "XXX(Earnest Money)XXXXXX." On July 20, 2016, AB&T Account `1793
15 wired \$12,859,152.57 to Fidelity National Title Company. The
16 notation on this wire was "XX(Balance of Property)XXXXX."

17 68. Casa Bahia for San Francisco, LLC, a Delaware limited
18 liability company, was the entity used to take title to San
19 Francisco, California Property 2, and is owned by Lacey. On July 21,
20 2016, by grant deed, San Francisco Property 2 was transferred to
21 Lacey. On June 21, 2017, by grant deed and for no consideration,
22 Lacy transferred San Francisco Property 2 to Casa Bahai for San
23 Francisco, LLC, a Delaware limited liability company, as evidenced by
24 instrument number 2017-K466276099 of the San Francisco County
25 official records. As noted in the grant deed:

26 There was no consideration for this transfer. This is a
27 transfer between an individual or individuals and a legal
28 entity or between legal entities that results solely in a
change in the method of holding title and in which
proportional ownership inters in the realty remain the

1 same. . .

2 **K. San Francisco Property 3**

3 69. San Francisco Property 3 was purchased and maintained, in
4 whole or in part, using funds traceable to SUA, involved in money
5 laundering, or both.

6 70. Beginning in February 2013, illicit funds from Backpage's
7 U.S. Bank account '1165 passed-through various Backpage or Backpage
8 Operators accounts, eventually ending up in BMO Harris account '5263,
9 owned or controlled by Lacy. In May 2015, over \$10,000 of funds from
10 BMO Harris account '5263 was used to purchase or maintain San
11 Francisco Property 3.

12 **L. Sedona Property**

13 71. The Sedona Property was purchased and maintained, in whole
14 or in part, using funds traceable to SUA, involved in money
15 laundering, or both.

16 72. In October 2017, Account 2 wired approximately \$297,795 to
17 Account 4. On November 13, 2018, \$6,725.54 from Account 4 was used
18 to support or maintain the Sedona Property.

19 **M. Paradise Valley Property 1**

20 73. Paradise Valley Property 1 was purchased and maintained, in
21 whole or in part, using funds traceable to SUA, involved in money
22 laundering, or both.

23 74. Approximately \$11,480,000 million in illicit funds from
24 Backpage's U.S. Bank account '1165 passed-through various Backpage or
25 Backpage Operators accounts, eventually (between March 15 and
26 September 18, 2014) ending up in BMO Harris account '5263, owned or
27 controlled by Lacy. Thereafter, on March 30, 2015, BMO Harris Bank
28 account '5263 transferred \$774,379.46 towards the purchase of the

1 Paradise Valley Property 1.

2 **N. Paradise Valley Property 2**

3 75. Paradise Valley Property 2 was purchased and maintained, in
4 whole or in part, using funds traceable to SUA, involved in money
5 laundering, or both

6 76. In 2005, for approximately \$1,500,000, Lacey purchased the
7 Paradise Valley Property 2. In 2010, the Paradise Valley Property
8 was used as collateral for a \$1 million loan (the "2010 Loan").

9 Beginning no later than January 2012, illicit proceeds were used to
10 service the debt on the 2010 Loan. Specifically:

11 a. Between February 4 and June 6, 2013, through a series of
12 wire transfers, Backpage's U.S. Bank account '1165 transferred
13 approximately \$41,500,000 to BMO Harris Bank account '5263.

14 b. Between March 2013, and January 2016, through a series of
15 periodic transactions, approximately \$174,749.39 from BMO Harris Bank
16 account '5263 was used to service the debt on the 2010 Loan.

17 **JAMES LARKIN ASSETS**

18 **O. Accounts 13, 15, 16, 17, AND 18 (RBA '1889, '2592, '1938,
19 '1897, '8103, '8162, AND '8189)**

20 77. Account 13, held in the name of Larkin, was funded with
21 proceeds alleged to have been traceable to SUA, involved in money
22 laundering, or both.

23 a. On July 6, 2017, Account 2 transferred \$971,651.51 into
24 Account 13.

25 b. On July 28, 2017, Account 13 transferred \$400,000 into
26 Account 14.

27 78. Account 15 is held in the name of Larkin.

28 a. From March 2015 through November 2017, the Netherlands

1 Account received several millions of dollars in criminal proceeds
2 from Binary Trading.

3 b. On December 2, 2016, the Netherlands Account transferred
4 \$324,055.85 to Account 2.

5 c. On December 8, 2016, the Netherlands Account transferred
6 \$499,970.00 to Account 2.

7 d. On December 27, 2016, the Netherlands Account transferred
8 \$199,970.00 to Account 2, which account then transferred funds
9 through Account '9863 and into Account 3.

10 e. On December 13, 2017, Account 3 transferred \$406,211.10 to
11 Account 15.

12 79. Account 16, 17, and 18 are CDARS Accounts held in the name
13 of Larkin.

14 a. On July 28, 2017, Account 13 transferred \$400,000 into
15 Account 14.

16 b. On or about February 8, 2018, \$1 million in funds from
17 Account 14 was used to fund Account 16 (which received \$500,000),
18 Account 17 (which received \$250,000), and Account 18 (which received
19 \$250,000).

20 **P. Accounts 19 AND 20 (PCTC ACCOUNT '0012 FUNDS, PERKINS COIE**
21 **'0012)**

22 80. Account 19 is held in the name of Larkin's spouse, Margaret
23 Larkin, and was funded with proceeds traceable to SUA, involved in
24 money laundering, or both.

25 a. On December 31, 2015, Website Tech Account '2008
26 transferred \$811,424 to the Slovakia Account.

27 b. On January 11, 2016, the Slovakia Account transferred
28 approximately \$1,300,000 to Charles Schwab account '4693, held in the

1 name of Larkin ("Charles Schwab Account '4693").

2 c. On January 14, 2016, Charles Schwab Account '4693
3 transferred approximately \$13,500,000 to Northern Trust Company
4 account '9562 (under the name "Ocotillo Family Trust," owned and
5 controlled by Larkin and Margaret Larkin).

6 d. In July 21, 2017, Account '9562 transferred \$6,014,000 to
7 Morgan Stanley account '1673 (held in the name of Larkin and Margaret
8 Larkin).

9 e. In or about November 2017, Morgan Stanley elected to
10 terminate its business relationship with Larkin.

11 f. On November 30, 2017, all the funds then held in Morgan
12 Stanley account '1673 (about \$10,000,000) were transferred to Account
13 19.

14 g. Some of the funds in Account 19 were used to purchase bonds
15 and/or securities, which were held in Account 20.

16 **Q. Account 21 (ACF '2020)**

17 81. Account 21 contains securities and investment vehicles held
18 in the name of Ocotillo Family Trust, which is owned and controlled
19 by Larkin and his spouse, and was funded with proceeds traceable to
20 SUA, involved in money laundering, or both.

21 a. During the period of March 23 through March 31, 2016,
22 Website Tech Account '2008 sent three wire transfers totaling
23 \$3,694,813.60 to Arizona Bank & Trust account number '6211, belonging
24 to Cereus Properties ("Account '6211").

25 b. During the period of April 1, 2016, through July 1, 2016,
26 Account '6211 sent five wire transfers totaling \$5,750,294 to Charles
27 Schwab Account '4693.

28 c. On July 1, 2016, Charles Schwab Account '4693 transferred

1 \$15,000,000 to Account 21.

2 d. During the period of August 2, 2016, through October 6,
3 2016, Account `6211 sent six wire transfers totaling \$9,550,315 to
4 Charles Schwab Account `4693.

5 e. On January 3, 2017, Charles Schwab Account `4693
6 transferred \$2,500,000 to Account 21.

7 f. On January 4, 2017, Charles Schwab Account `4693
8 transferred \$2,500,000 Account 21.

9 **R. Accounts 22 AND 23 (BA `8225 and `7054)**

10 82. Account 22 is held in the name of one of T. Larkin, and was
11 used in furtherance of the money laundering scheme described herein,
12 and in an attempt to further conceal or disguise the nature,
13 location, source, ownership or control of the criminal proceeds.

14 83. On February 2, 2018, Account 2 wire transferred \$28,337
15 into Account 22.

16 84. Account 23 is held in the name of R. Larkin. On February
17 2, 2018, Account 2 wire transferred \$28,337 into Account 23.

18 **S. Saint Helena Property**

19 85. The Saint Helena Property was purchased and maintained, in
20 whole or in part, using funds traceable to SUA, involved in money
21 laundering, or both.

22 86. Between February 4 and June 6, 2013, approximately
23 \$41,500,000 in illicit funds were transferred to Camarillo Holdings
24 LLC, BMO Harris Bank account `7172. On October 2, 2013, BMO Harris
25 Bank account `7172 wired \$26,130.64 to Larkin's BMO Harris Bank
26 account `3110. Thereafter, on November 3, 2016, over \$10,000 of
27 funds from BMO Harris Bank account `7172 were used to purchase or
28 maintain the Saint Helena Property.

1 **W. Account 25, 26, 27, 28, 29, 30 (AB `6878, `4954, `7982,**
2 **`7889, `7888 AND `6485)**

3 93. Accounts 25, 26, 27, 28, 29, and 30 are held in the name of
4 the "Brunst Family Trust." Brunst and his wife are the sole trustees
5 for these accounts, which were funded with proceeds traceable to SUA,
6 involved in money laundering, or both.

7 a. On December 31, 2015, Website Tech Account `2008
8 transferred \$811,424 to Account `6211.

9 b. On December 6, 2016, Account `6211 transferred \$161,459 to
10 Wells Fargo Bank account `4891, belonging to Brunst ("Account
11 `4891").

12 c. On January 4, 2017, Account `6211 transferred another
13 \$258,841 to Account `4891.

14 d. On January 5, 2017, Account `4891 transferred \$300,000 to
15 Wells Fargo Bank account `7474, belonging to the Brunst Family Trust
16 ("Account `7474").

17 e. On May 19, 2017, Account `7474 transferred approximately
18 \$1,500,000 into Account 25.

19 f. On May 23, 2017, Account 25 transferred approximately
20 \$350,000 to Account 25.

21 g. On June 7, 2017, Account 25 transferred approximately
22 \$1,340,000 to Account 25.

23 h. On September 13, 2017, Account 25 transferred approximately
24 \$581,000 to Account 27.

25 i. On September 13, 2017, Account 25 transferred approximately
26 \$250,000 to Account 28.

27 j. On September 13, 2017, Account 25 transferred approximately
28

1 \$250,000 to Account 29.

2 k. On September 15, 2017, Account 25 transferred approximately
3 \$500,000 to Account 30.

4 **SCOTT SPEAR ASSETS**

5 **X. Accounts 31, 32, AND 33 (NBA '0178, '0151, and '3645)**

6 94. Accounts 31 and 32 are held in the name of Spear, which
7 accounts were funded with proceeds traceable to SUA, involved in
8 money laundering, or both. Account 33 is held in trust for the
9 benefit of Spear and certain of his family members, which account was
10 funded with proceeds traceable to SUA, involved in money laundering,
11 or both. In furtherance of the money laundering scheme, and in an
12 attempt to further conceal the true nature of the criminal proceeds,
13 go-between accounts served to funnel money from one account to
14 another.

15 a. Between January 21 and August 31, 2016, Website Tech
16 Account '2008 sent approximately 27 wire transfers totaling
17 approximately \$48,000,000 to Account '6211.

18 b. Between March 1, 2016, and July 1, 2016, Account '6211
19 transferred \$892,426 into Account 31.

20 c. On September 14, 2017, Account 2 wire transferred
21 \$50,162.05 into Account 31.

22 d. On October 12, 2017, Account 31 transferred approximately
23 \$21,500 into Account 32.

24 e. On January 5, 2018, Account 31 transferred approximately
25 \$600,000 into Account 33.

26 **Y. Account 34 (Live Oak Bank Account '6910)**

27 95. Account 34 is held in the name of Spear, and was funded
28 with proceeds traceable to SUA, involved in money laundering, or

1 both.

2 96. On or about March 16, 2016, as an opening deposit, Account
3 31 transferred \$250,000 into Account 34.

4 **Z. Account 35 and 36 (Ascensus Broker Services `4301 and `8001)**

5 97. Accounts 35 and 36 are held in the name of N. Spear,
6 Spear's adult daughter, and were funded with proceeds traceable to
7 SUA, involved in money laundering, or both.

8 a. On February 23, 2017, Account 31 transferred approximately
9 \$50,000 into Account 35.

10 b. On the February 23, 2017, Account 31 transferred \$50,000
11 into Account 36.

12 **PRIMUS TRUST ASSETS**

13 **AA. Account 37 (K&H Bank Account `1210)**

14 98. Account 37 is located in Hungary, and held in the name of
15 Primus Trust Company ("Binghampton Trust") for the benefit of Lacey.
16 In furtherance of the money laundering scheme, Account 37 was funded
17 with proceeds traceable to SUA, involved in money laundering, or
18 both.

19 99. The tracing of this account involves numerous banks and
20 bank accounts, both foreign and domestic. The accounts include:
21 Website Tech Account `2008; Account `6211; Arizona Bank & Trust
22 annuity trust account numbers `1967, `1972, `1986, `1991, and `2014,
23 all held in Lacey's name ("AZBT Annuity Accounts"); and Johnson
24 Financial account `9992, held in an IOLTA, with Lacey as the sole
25 beneficiary.

26 a. Between December 14, 2015, and January 15, 2016, the
27 Slovakia Account sent approximately 26 wire transfers totaling over
28 \$2,500,000 to Website Tech Account `2008 in the United States.

1 b. On January 15, 2016, Website Tech Account `2008 transferred
2 \$189,571 to Verizon in Los Angeles, California, in payment for
3 Backpage internet services, which served, in whole or in part, to
4 promote sex trafficking and illegal prostitution.

5 c. Between January 21 and August 31, 2016, Website Tech
6 Account `2008 sent approximately 27 wire transfers totaling
7 approximately \$48,000,000 to Account `6211.

8 d. Between April 1 and October 6, 2016, in approximately 12
9 wires, Account `6211 sent over \$18,000,000 to the AZBT Annuity Trust
10 Accounts.

11 e. On December 29, 2016, in five wires, the AZBT Annuity
12 Trusts Accounts sent approximately \$16,500,000 to Johnson Financial
13 account `9992.

14 f. On January 3, 2017, Johnson Financial account `9992
15 transferred \$16,500,000 to Account 37.

16 **AD TECH BV ASSETS**

17 **BB. Accounts 56, 57, and 58 (Fio Bank `5803, `5801, and `5805)**

18 100. Accounts 56, 57, and 58 are located in the Czech Republic
19 and held in the name of Ad Tech BV, identifying Ferrer as the
20 ultimate beneficial owner, which accounts were funded with proceeds
21 traceable to SUA, involved in money laundering, or both.

22 101. Account 56, 57, and 58 were set up and maintained to
23 receive payments for Backpage ads, that is, for "accounts
24 receivable." Merchant processors would accept credit card payments
25 and Bitcoins from Backpage advertisers as credit to place ads for
26 prostitution and other services. The merchant processors would then
27 transfer these funds to accounts set up to receive such payments,
28 specifically including Accounts 56, 57, and 58. All funds contained

1 within Accounts 56, 57, and 58 are traceable to SUA and involved in
2 money laundering.

3 **CC. Accounts 47, 48, 49 and 50 (BF Accounts `K000 K, `K000 U,**
4 **`K000 E, and `K001 K)**

5 102. Accounts 47, 48, 49, and 50 are located in Principality of
6 Liechtenstein, and held for the benefit of Ferrer, which accounts
7 were funded with proceeds traceable to SUA, involved in money
8 laundering, or both.

9 103. Accounts 47, 48, 49, and 50 were set up and maintained to
10 receive payments for Backpage ads, that is, for "accounts
11 receivable." Merchant processors would accept credit card payments
12 and Bitcoins from Backpage advertisers as credit to place ads for
13 prostitution and other services. The merchant processors would then
14 transfer these funds to accounts set up to receive such payments,
15 specifically including Accounts 47, 48, 49, and 50. All funds
16 contained within Accounts 47, 48, 49, and 50 are traceable to SUA and
17 involved in money laundering.

18 **GOLD LEAF SRO FUNDS HELD AT FIO BANK**

19 **DD. Account 38, 39, and 30 (Fio Bank `2226, `2231, and `2230)**

20 104. Accounts 38, 39, and 40 are located in the Czech Republic,
21 and held for the benefit of Backpage by a third party entity named,
22 "Gold Leaf SRO." Accounts 38, 39, and 40 were funded with proceeds
23 traceable to SUA, involved in money laundering, or both.

24 105. Accounts 38, 39, and 40 were created outside the United
25 States with the intention of avoiding the "blockade" of Backpage set
26 up by U.S. credit card companies that refused to process Backpage
27 receipts following negative press associated with Backpage.

28 Approximately 99.5% of the payments into these accounts were to be

1 transferred to accounts held by Ad Tech BV, a Backpage controlled
2 company located in the Netherlands, after which transfer, the funds
3 could be directed for the benefit of Backpage or Backpage Operators
4 in the U.S. or abroad. All funds contained within Accounts 38, 39,
5 and 40 are traceable to SUA and involved in money laundering.

6
7 **PROTECCTIO SRO FUNDS HELD AT FIO BANK**

8 **EE. Accounts 41, 42, and 43 (Fio Bank `4194, `4196, and `4198)**

9
10 106. Accounts 41, 42, and 43 are located in the Czech Republic,
11 and held for the benefit of Backpage by a third party entity named,
12 "Protecctio SRO." Accounts 41, 42, and 43 were funded with proceeds
13 traceable to SUA, involved in money laundering, or both.

14 107. Accounts 41, 42, and 43 were created outside the United
15 States with the intention of avoiding the "blockade" of Backpage set
16 up by U.S. credit card companies that refused to process Backpage
17 receipts following negative press associated with Backpage.
18 Approximately 99.5% of the payments into these accounts were to be
19 transferred to accounts held by Ad Tech BV, a Backpage controlled
20 company located in the Netherlands, after which transfer the funds
21 could be directed for the benefit of Backpage or Backpage Operators
22 in the U.S. or abroad. All funds contained within Accounts 41, 42,
23 and 43 are traceable to SUA and involved in money laundering.

24 **VARICOK SRO FUNDS HELD AT FIO BANK**

25 **FF. Accounts 44, 45, and 46 (Fio Bank `8083, `8086, and `8080)**

26 108. Accounts 44, 45, and 46 are located in the Czech Republic,
27 and held in the name of Varicok Company SRO. Accounts 44, 45, and 46
28 were funded with proceeds traceable to SUA, involved in money

1 laundering, or both.

2 109. Accounts 44, 45, and 46 were created outside the United
3 States with the intention of avoiding the "blockade" of Backpage set
4 up by U.S. credit card companies that refused to process Backpage
5 receipts following negative press associated with Backpage.

6 Approximately 99.5% of the payments into these accounts were to be
7 transferred to accounts held by Ad Tech BV, a Backpage controlled
8 company located in the Netherlands, after which transfer, the funds
9 could be directed for the benefit of Backpage or Backpage Operators
10 in the U.S. or abroad. All funds contained within Accounts 44, 45,
11 and 46 are traceable to SUA and involved in money laundering.

12 **PROCOP SERVICES BV FUNDS HELD AT KNAB BANK**

13 **GG. Account 51 (KB `7664)**

14 110. Account 51 is located in the Kingdom of the Netherlands,
15 and held for the benefit of Backpage by a third party entity named,
16 "Procop Services BV." Account 51 was funded with proceeds traceable
17 to SUA, involved in money laundering, or both.

18 111. Account 51 was created outside the United States with the
19 intention of avoiding the "blockade" of Backpage set up by U.S.
20 credit card companies that refused to process Backpage receipts
21 following negative press associated with Backpage. Approximately
22 99.5% of the payments into Accounts 51 was to be transferred to
23 accounts held by Ad Tech BV, a Backpage controlled company located in
24 the Netherlands, after which transfer, the funds could be directed
25 for the benefit of Backpage or Backpage Operators in the U.S. or
26 abroad. All funds contained within Account 51 are traceable to SUA
27 and involved in money laundering.

28

GULIETTA GROUP BV FUNDS HELD AT RABO BANK

HH. Accounts 52 and 53 (RB `2452 and `4721)

112. Accounts 52 and 53 are located in the Kingdom of the Netherlands and held for the benefit of Backpage by a third party entity named, "Gulietta Group BV." Accounts 52 and 53 were funded with proceeds traceable to SUA, involved in money laundering, or both.

113. Accounts 52 and 53 were created outside the United States with the intention of avoiding the "blockade" of Backpage set up by U.S. credit card companies that refused to process Backpage receipts following negative press associated with Backpage. Approximately 99.5% of the payments into these accounts were to be transferred to accounts held by Ad Tech BV, a Backpage controlled company located in the Netherlands, after which transfer, the funds could be directed for the benefit of Backpage or Backpage Operators in the U.S. or abroad. All funds contained within Accounts 52 and 53 are traceable to SUA and involved in money laundering.

CASHFLOWS EUROPE LTD FUNDS HELD FOR GULIETTA GROUP B.V., UNIVERSADS

B.V., PROCOPSERVICES B.V. and PROTECCIO SRO

II. Account 55 (SP `1262)

114. Account 55 is located in the United Kingdom and held by a third party entity, "Cashflows Europe Limited" ("Cashflows"). Although Backpage is the ultimate beneficiary of Account 55, Cashflows acts first as an entity holding this account for the benefit of Gulietta Group B.V., Universads B.V., Procop Services B.V., and Proteccio SRO (collectively referred to as, the "Entities"), each of which company is owned or controlled by Backpage. Account 55 was funded with proceeds traceable to SUA,

1 involved in money laundering, or both.

2 115. Account 55 was created outside the United States with the
3 intention of avoiding the "blockade" of Backpage set up by U.S.
4 credit card companies that refused to process Backpage receipts
5 following negative press associated with Backpage. Approximately
6 99.5% of the payments into Accounts 55 was to be transferred to
7 accounts held by Ad Tech BV, a Backpage controlled company located in
8 the Netherlands, after which transfer, the funds could be directed
9 for the benefit of Backpage or Backpage Operators in the U.S. or
10 abroad. All funds contained within Account 55 are traceable to SUA
11 and involved in money laundering.

12 **JJ. Account 54 (LHVP `4431)**

13 116. Account 54 is an account maintained in the Republic of
14 Estonia, held in the name of Olist OU for the benefit of Backpage.
15 Account 54 was funded with proceeds traceable to SUA, involved in
16 money laundering, or both.

17 117. Account 54 was created outside the United States with the
18 intention of avoiding the "blockade" of Backpage set up by U.S.
19 credit card companies that refused to process Backpage receipts
20 following negative press associated with Backpage. Approximately
21 99.5% of the payments into Accounts 54 was to be transferred to
22 accounts held by Ad Tech BV, a Backpage controlled company located in
23 the Netherlands, after which transfer, the funds could be directed
24 for the benefit of Backpage or Backpage Operators in the U.S. or
25 abroad. All funds contained within Account 54 are traceable to SUA
26 and involved in money laundering.

1 BACKPAGE-CONTROLLED DOMAIN NAMES

2 **KK. ASCIO/WMB Inc Domain Names**

3 118. Until recently, Backpage controlled numerous domain names,
4 which have since been seized by the government pursuant to a seizure
5 warrant issued in this district.¹¹

6 119. The Seized Domains are registered by "ASCIO TECHNOLOGIES
7 INC" DBA "NETNAMES," a domain registrar that manages the reservation
8 of internet domain names. A domain registrar serves to ensure that a
9 registered domain name, like each of the Seized Domains, is not
10 double sold.

11 120. Additionally, a domain registration will allow the owner of
12 the domain to direct internet traffic to a company's webserver. The
13 Seized Domains were found to have been acquired and maintained with
14 funds traceable to the money laundering scheme described herein,
15 specifically with funds from Account 1, and the Seized Domains were
16 the mechanism Backpage used to promote the prostitution and sex
17 trafficking activity.

18 121. The following domains constitute and are derived from
19 proceeds traceable to SUA, involved in money laundering, or both:

- 20 a. atlantabackpage.com
21 b. backpage.be
22 c. backpage.com
23 d. backpage.com.br
24 e. backpage.cz
25 f. backpage.dk
26 g. backpage.ee
27

28

¹¹ 18-MJ-00711

1 h. backpage.es
2 i. backpage.fi
3 j. backpage.fr
4 k. backpage.gr
5 l. backpage.hu
6 m. backpage.ie
7 n. backpage.it
8 o. backpage.lt
9 p. backpage.mx
10 q. backpage.net
11 r. backpage.no
12 s. backpage.pl
13 t. backpage.pt
14 u. backpage.ro
15 v. backpage.si
16 w. backpage.sk
17 x. backpage.us
18 y. backpage-insider.com
19 z. bestofbackpage.com
20 aa. bestofbigcity.com
21 bb. bigcity.com
22 cc. chicagobackpage.com
23 dd. denverbackpage.com
24 ee. newyorkbackpage.com
25 ff. phoenixbackpage.com
26 gg. sandiegobackpage.com
27 hh. seattlebackpage.com
28

1 ii. tampabackpage.com

2 **LL. SURRENDERED DOMAIN NAMES**

3 122. Until recently, Backpage also controlled numerous domain
4 names that Backpage has since surrendered (pursuant to its guilty
5 plea on April 5, 2018, in the District of Arizona).

6 123. The following websites were purchased and/or maintained, in
7 whole or in part, with proceeds traceable to SUA, involved in money
8 laundering, or both:

- 9 a. admoderation.com (Versio)
10 b. admoderators.com (Versio)
11 c. adnet.ws (NetNames)
12 d. adplace24.com (Versio)
13 e. adplaces24.com (Versio)
14 f. adpost24.com (Versio)
15 g. adpost24.cz (GoDaddy)
16 h. adquick365.com (Versio)
17 i. adreputation.com (NetNames)
18 j. ads-posted-mp.com (Versio)
19 k. adsplace24.com (Versio)
20 l. adspot24.com (Versio)
21 m. adspots24.com (Versio)
22 n. adsspot24.com (Versio)
23 o. adtechbv.co.nl (NetNames)
24 p. adtechbv.com (NetNames)
25 q. adtechbv.nl (NetNames)
26 r. advert-ep.com (Versio)
27 s. adverts-mp.com (Versio)
28

1 t. axme.com (GoDaddy)
2 u. back0age.com (NetNames)
3 v. backpa.ge (NetNames)
4 w. backpagee.com (NetNames)
5 x. backpage-insider.com (NetNames)
6 y. backpage.adult (NetNames)
7 z. backpage.ae (NetNames)
8 aa. backpage.at (NetNames)
9 bb. backpage.ax (NetNames)
10 cc. backpage.be (NetNames)
11 dd. backpage.bg (European domains)
12 ee. backpage.bg (NetNames)
13 ff. backpage.ca (NetNames)
14 gg. backpage.cl (NetNames)
15 hh. backpage.cn (European domains)
16 ii. backpage.cn (NetNames)
17 jj. backpage.co.id (NetNames)
18 kk. backpage.co.nl (European domains)
19 ll. backpage.co.nl (NetNames)
20 mm. backpage.co.nz (NetNames)
21 nn. backpage.co.uk (NetNames)
22 oo. backpage.co.ve (NetNames)
23 pp. backpage.co.za (NetNames)
24 qq. backpage.com (NetNames)
25 rr. backpage.com.ar (NetNames)
26 ss. backpage.com.au (NetNames)
27 tt. backpage.com.ph (NetNames)
28

1 uu. backpage.cz (NetNames)
2 vv. backpage.dk (NetNames)
3 ww. backpage.ec (NetNames)
4 xx. backpage.ee (European domains)
5 yy. backpage.ee (NetNames)
6 zz. backpage.es (NetNames)
7 aaa. backpage.fi (European domains)
8 bbb. backpage.fi (NetNames)
9 ccc. backpage.fr (European domains)
10 ddd. backpage.fr (NetNames)
11 eee. backpage.gr (European domains)
12 fff. backpage.gr (NetNames)
13 ggg. backpage.hk (European domains)
14 hhh. backpage.hk (NetNames)
15 iii. backpage.hu (European domains)
16 jjj. backpage.hu (NetNames)
17 kkk. backpage.ie (NetNames)
18 lll. backpage.in (NetNames)
19 mmm. backpage.it (NetNames)
20 nnn. backpage.jp (NetNames)
21 ooo. backpage.kr (NetNames)
22 ppp. backpage.lt (NetNames)
23 qqq. backpage.lv (European domains)
24 rrr. backpage.lv (NetNames)
25 sss. backpage.me (NetNames)
26 ttt. backpage.mx (NetNames)
27
28 uuu. backpage.my (NetNames)

1 vvv. backpage.net (NetNames)
2 www. backpage.nl (NetNames)
3 xxx. backpage.no (European domains)
4 yyy. backpage.no (NetNames)
5 zzz. backpage.nz (NetNames)
6 aaaa. backpage.pe (NetNames)
7 bbbb. backpage.ph (NetNames)
8 cccc. backpage.pk (NetNames)
9 dddd. backpage.pl (NetNames)
10 eeee. backpage.porn (NetNames)
11 ffff. backpage.pt (NetNames)
12 gggg. backpage.ro (European domains)
13 hhhh. backpage.ro (NetNames)
14 iiii. backpage.se (NetNames)
15 jjjj. backpage.sex (NetNames)
16 kkkk. backpage.sg (NetNames)
17 llll. backpage.si (European domains)
18 mmmm. backpage.si (NetNames)
19 nnnn. backpage.sk (European domains)
20 oooo. backpage.sk (NetNames)
21 pppp. backpage.sucks (NetNames)
22 qqqq. backpage.tw (NetNames)
23 rrrr. backpage.uk (NetNames)
24 ssss. backpage.uk.com (NetNames)
25 tttt. backpage.us (NetNames)
26 uuuu. backpage.vn (NetNames)
27 vvvv. backpage.xxx (NetNames)
28

1 www. backpage.xyz (NetNames)
2 xxxx. backpagecompimp.com (NetNames)
3 yyyy. backpagecompimps.com (NetNames)
4 zzzz. backpagepimp.com (NetNames)
5 aaaaa. backpagepimps.com (NetNames)
6 bbbbb. backpagg.com (NetNames)
7 ccccc. backpagm.com (NetNames)
8 ddddd. backpagu.com (NetNames)
9 eeeee. backpaoe.com (NetNames)
10 fffff. backpawe.com (NetNames)
11 ggggg. backqage.com (NetNames)
12 hhhhh. backrage.com (NetNames)
13 iiiii. backxage.com (NetNames)
14 jjjjj. bakkpage.com (NetNames)
15 kkkkk. bcklistings.com (NetNames)
16 lllll. bestofbackpage.com (NetNames)
17 mmmmm. bestofbigcity.com (NetNames)
18 nnnnn. bickpage.com (NetNames)
19 ooooo. bigcity.com (NetNames)
20 ppppp. bpclassified.com (NetNames)
21 qqqqq. bpclassifieds.com (NetNames)
22 rrrrr. carlferrer.com (NetNames)
23 sssss. clasificadosymas.com (NetNames)
24 ttttt. clasificadosymas.net (NetNames)
25 uuuuu. clasificadosymas.org (NetNames)
26 vvvvv. classifiedsolutions.co.uk (NetNames)
27
28 wwwww. classifiedsolutions.net (NetNames)

1 xxxxx. classyadultads.com (Versio)
2 yyyyy. columbusbackpage.com (NetNames)
3 zzzzz. connecticutbackpage.com (NetNames)
4 aaaaaa. cracker.co.id (NetNames)
5 bbbbbb. cracker.com (NetNames)
6 cccccc. cracker.com.au (NetNames)
7 ddddd. cracker.id (NetNames)
8 eeeee. cracker.net.au (NetNames)
9 ffffff. crackers.com.au (NetNames)
10 gggggg. crackers.net.au (NetNames)
11 hhhhhh. ctbackpage.com (NetNames)
12 iiiiii. dallasbackpage.com (NetNames)
13 jjjjjj. denverbackpage.com (NetNames)
14 kkkkkk. easypost123.com (Versio)
15 llllll. easyposts123.com (Versio)
16 mmmmmm. emais.com.pt (NetNames)
17 nnnnnn. evilempire.com (NetNames)
18 ooooo. ezpost123.com (Versio)
19 pppppp. fackpage.com (NetNames)
20 qqqqqq. fastadboard.com (Versio)
21 rrrrrr. gulietagroup.nl (Versio)
22 ssssss. http.org (NetNames)
23 tttttt. ichold.com (NetNames)
24 uuuuuu. internetspeechfoundation.com (nameisp)
25 vvvvvv. internetspeechfoundation.org (nameisp)
26 wwwwww. loads2drive.com (NetNames)
27 xxxxxx. loadstodrive.com (NetNames)
28

1 yyyyyyy. loadtodrive.com (NetNames)
2 zzzzzzz. losangelesbackpage.com (NetNames)
3 aaaaaaa. mediafilecloud.com (NetNames)
4 bbbbbbb. miamibackpage.com (NetNames)
5 ccccccc. minneapolisbackpage.com (NetNames)
6 ddddddd. mobileposting.com (Versio)
7 eeeeeee. mobilepostings.com (Versio)
8 fffffff. mobilepostlist.com (Versio)
9 ggggggg. mobilposting.com (Versio)
10 hhhhhhh. naked.city (NetNames)
11 iiiiiii. nakedcity.com (NetNames)
12 jjjjjjj. newyorkbackpage.com (NetNames)
13 kkkkkkk. paidbyhour.com (NetNames)
14 lllllll. petseekr.com (NetNames)
15 mmmmmmm. petsfindr.com (NetNames)
16 nnnnnnn. phoenixbackpage.com (NetNames)
17 ooooooo. posteasy123.com (Versio)
18 ppppppp. postfaster.com (NetNames)
19 qqqqqqq. postfastly.com (NetNames)
20 rrrrrrr. postfastr.com (NetNames)
21 sssssss. postonlinewith.com (Versio)
22 ttttttt. postonlinewith.me (Versio)
23 uuuuuuu. postseasy123.com (Versio)
24 vvvvvvv. postsol.com (GoDaddy)
25 wwwwwww. postszone24.com (Versio)
26 xxxxxxx. postzone24.com (Versio)
27 yyyyyyy. postzones24.com (Versio)
28

1 zzzzzzz. rentseekr.com (NetNames)
2 aaaaaaaaa. results911.com (NetNames)
3 bbbbbbbb. sandiegobackpage.com (NetNames)
4 cccccccc. sanfranciscobackpage.com (NetNames)
5 dddddddd. seattlebackpage.com (NetNames)
6 eeeeeeee. sellyostuffonline.com (Versio)
7 ffffffff. sfbackpage.com (NetNames)
8 gggggggg. simplepost24.com (Versio)
9 hhhhhhhh. simpleposts24.com (Versio)
10 iiiiiiiii. svc.ws (NetNames)
11 jjjjjjjj. truckrjobs.com (NetNames)
12 kkkkkkkk. ugctechgroup.com (NetNames)
13 lllllllll. universads.nl (Versio)
14 mmmmmmmm. villagevoicepimps.com (GoDaddy)
15 nnnnnnnn. websitetechologies.co.uk (NetNames)
16 ooooooooo. websitetechologies.com (NetNames)
17 pppppppp. websitetechologies.net (NetNames)
18 qqqqqqqq. websitetechologies.nl (NetNames)
19 rrrrrrrrr. websitetechologies.org (NetNames)
20 ssssssss. weprocessmoney.com (GoDaddy)
21 tttttttt. wst.ws (NetNames)
22 uuuuuuuu. xn--yms-fla.com (NetNames)
23 vvvvvvvv. ymas.ar.com (European domains)
24 wwwwwwww. ymas.br.com (European domains)
25 xxxxxxxx. ymas.br.com (NetNames)
26 yyyyyyyy. ymas.bz (European domains)
27 zzzzzzzz. ymas.bz (NetNames)
28

1 aaaaaaaaa. ymas.cl (European domains)
2 bbbbbbbbbb. ymas.cl (NetNames)
3 ccccccccc. ymas.co.bz (European domains)
4 ddddddddd. ymas.co.bz (NetNames)
5 eeeeeeeee. ymas.co.cr (European domains)
6 ffffffffff. ymas.co.cr (NetNames)
7 gggggggggg. ymas.co.ni (European domains)
8 hhhhhhhhhh. ymas.co.ni (NetNames)
9 iiiiiiiiii. ymas.co.ve (European domains)
10 jjjjjjjjjj. ymas.co.ve (NetNames)
11 kkkkkkkkkk. ymas.com (NetNames)
12 llllllllll. ymas.com.br (European domains)
13 mmmmmmmmmm. ymas.com.br (NetNames)
14 nnnnnnnnnn. ymas.com.bz (European domains)
15 ooooooooo. ymas.com.bz (NetNames)
16 pppppppppp. ymas.com.co (European domains)
17 qqqqqqqqqq. ymas.com.co (NetNames)
18 rrrrrrrrrr. ymas.com.do (European domains)
19 ssssssssss. ymas.com.do (NetNames)
20 tttttttttt. ymas.com.ec (European domains)
21 uuuuuuuuuu. ymas.com.ec (NetNames)
22 vvvvvvvvvv. ymas.com.es (European domains)
23 wwwwwwww. ymas.com.es (NetNames)
24 xxxxxxxxxx. ymas.com.gt (European domains)
25 yyyyyyyyyy. ymas.com.gt (NetNames)
26 zzzzzzzzzz. ymas.com.hn (European domains)
27 aaaaaaaaaa. ymas.com.hn (NetNames)
28

1 bbbbbbbbbbb. ymas.com.mx (NetNames)
2 ccccccccccc. ymas.com.ni (European domains)
3 ddddddddddd. ymas.com.ni (NetNames)
4 eeeeeeeeeee. ymas.com.pe (European domains)
5 fffffffffff. ymas.com.pe (NetNames)
6 ggggggggggg. ymas.com.pr (European domains)
7 hhhhhhhhhhh. ymas.com.pr (NetNames)
8 iiiiiiiiiii. ymas.com.pt (NetNames)
9 jjjjjjjjjjj. ymas.com.uy (European domains)
10 kkkkkkkkkkk. ymas.com.uy (NetNames)
11 lllllllllll. ymas.com.ve (European domains)
12 mmmmmmmmmmm. ymas.com.ve (NetNames)
13 nnnnnnnnnnn. ymas.cr (European domains)
14 ooooooooooo. ymas.cr (NetNames)
15 ppppppppppp. ymas.do (European domains)
16 qqqqqqqqqqq. ymas.do (NetNames)
17 rrrrrrrrrrr. ymas.ec (European domains)
18 sssssssssss. ymas.ec (NetNames)
19 ttttttttttt. ymas.es (European domains)
20 uuuuuuuuuuu. ymas.es (NetNames)
21 vvvvvvvvvvv. ymas.org (NetNames)
22 wwwwwwwww. ymas.pe (European domains)
23 xxxxxxxxxxx. ymas.pe (NetNames)
24 yyyyyyyyyyy. ymas.pt (NetNames)
25 zzzzzzzzzzz. ymas.us (European domains)
26 aaaaaaaaaaa. ymas.us (NetNames)
27 bbbbbbbbbbb. ymas.uy (European domains)

1 cccccccccc. ymas.uy (NetNames)

2 dddddddddddd. ymas.uy.com (European domains)

3 **BACKPAGE SURRENDERED ASSETS**

4 **MM. Assets Surrendered To The United States By Backpage**

5 124. On or about May 8, 2018, all of the funds, digital
6 currencies, and other property listed in this subsection were
7 transferred into the United States Postal Inspection Service holding
8 bank account, Bitcoins wallet, Bitcoins Cash wallet, Litecoin wallet,
9 and Bitcoins Gold wallet. These Surrendered Assets constitute and
10 are derived from proceeds traceable to SUA, involved in money
11 laundering, or both.

12 125. On May 8, 2018, within the Stipulation for Preliminary
13 Order of Forfeiture, CR18-465-PHX-SPL, Ferrer, in his capacity as CEO
14 of Backpage, stipulated that the following bank funds, securities, or
15 other assets are criminally derived proceeds of Backpage's illegal
16 activity, involved in money laundering transactions, or both, and as
17 such, are forfeitable property:

18 a. \$699,940.00 wire transferred from ING Bank account '7684,
19 held in the name of Payment Solutions BV.

20 b. \$106,988.41 wire transferred from ING Bank account '2071,
21 held in the name of Payment Solutions BV.

22 c. \$499,910.01 wire transferred from US Bank account '0239,
23 held in the name of Affordable Bail Bonds LLC.

24 d. \$50,000.00 wire transferred from Enterprise Bank and Trust
25 account '7177, held in the name of Global Trading Solutions LLC.

26 e. \$1,876.36 wire transferred from ING Bank account '2071,
27 held in the name of Payment Solutions BV.
28

1 f. \$50,357.35 wire transferred from ING Bank account '7684,
2 held in the name of Payment Solutions BV.

3 g. \$248,970.00 wire transferred from Citibank NA, account
4 '0457, held in the name of Paul Hastings LLP.

5 h. \$52,500.00 wire transferred from Enterprise Bank and Trust
6 account '7177, held in the name of Global Trading Solutions LLC.

7 i. \$65,000.00 wire transferred from Enterprise Bank and Trust
8 account '7177, held in the name of Global Trading Solutions LLC.

9 j. \$5,534.54 wire transferred from Enterprise Bank and Trust
10 account '7177, held in the name of Global Trading Solutions LLC.

11 k. \$52,500.00 wire transferred from Crypto Capital

12 i. 6 Bitcoins transferred from a Backpage controlled
13 wallet;

14 ii. 199.99995716 Bitcoins transferred from a Backpage
15 controlled wallet;

16 iii. 404.99984122 Bitcoins transferred from a Backpage
17 controlled wallet;

18 iv. 173.97319 Bitcoins transferred from a Backpage
19 controlled wallet;

20 v. 411.00019 Bitcoins transferred from a Backpage
21 controlled wallet;

22 vi. 2.00069333 Bitcoins transferred from a Backpage
23 controlled wallet;

24 vii. 136.6544695 Bitcoins transferred from a Backpage
25 controlled wallet;

26 viii. 2,673.59306905 Bitcoins Cash transferred
27 from a Backpage controlled wallet;
28

1 ix. 55.5 Bitcoins Cash transferred from a Backpage
2 controlled wallet;

3 x. 73.62522241 Bitcoins Cash transferred from a
4 Backpage controlled wallet;

5 xi. 16,310.79413202 Litecoin transferred from a
6 Backpage controlled wallet;

7 xii. 783.9735116 Litecoin transferred from a Backpage
8 controlled wallet; and

9 xiii. 509.81904619 Bitcoins Gold transferred from
10 a Backpage controlled wallet.

11 **NN. BACKPAGE FUNDS PREVIOUSLY HELD AT DAVIS WRIGHT TREMAINE**

12
13 126. On August 13, 2018, Davis Wright Tremaine initiated a wire
14 transfer of \$3,713,121.03 from Bank of America account '3414, held in
15 the name of Davis Wright Tremaine, LLP into the government holding
16 account.

17 a. Between January 13 and January 20, 2017, a GoCoin account
18 wire transferred \$1,318,800 to the Veritex Account.

19 b. On June 22, 2017, the Veritex Account wire transferred
20 \$1,000,000 into Account 27.

21 c. On April 27, 2017, the Netherlands Account wire transferred
22 \$2,500,000 to Account 27.

23 d. On April 28, 2017, the Netherlands Account wire transferred
24 \$2,500,000 to Account 27.

25 e. On May 24, 2017, Account 1 wire transferred \$500,000 into
26 Account 27.

27 f. On September 13, 2017, Account 1 wire transferred
28 \$1,000,000 into Account 27.

1 g. On September 27, 2017, the Netherlands Account wire
2 transferred about \$778,802.96 into Account 27.

3 h. On October 20, 2017, Account 1 wire transferred \$500,000
4 into Account 27.

5 FIRST CLAIM FOR RELIEF

6 (18 U.S.C. § 981(a)(1)(C))

7 127. Based on the facts set out above, Plaintiff alleges that
8 the Defendant Assets constitute, and are derived from, proceeds
9 traceable to one or more violations of Title 18, United States Code,
10 Sections 1591 (Sex Trafficking of Children) and 1952 (Interstate and
11 Foreign Travel in Aid of Racketeering Enterprise), each of which is a
12 specified unlawful activity under 18 U.S.C. §§ 1956(c)(7)(A),
13 1956(c)(7)(B)(iv) and 1956(c)(7)(D), and a conspiracy to commit such
14 offenses. The Defendant Assets are therefore subject to forfeiture
15 to the United States pursuant to 18 U.S.C. § 981(a)(1)(C).

16 SECOND CLAIM FOR RELIEF

17 (18 U.S.C. § 981(a)(1)(A))

18 128. Based on the facts set out above, Plaintiff alleges that
19 the Defendant Assets were involved in, and are traceable to, property
20 involved in one or more transactions or attempted transactions in
21 violation of section 18 U.S.C. § 1957, and a conspiracy to commit
22 such offenses, in violation of section 18 U.S.C. § 1956(h).
23 Specifically, the Defendant Assets were involved in and are traceable
24 to property involved in one or more financial transactions, attempted
25 transactions, and a conspiracy to conduct or attempt to conduct such
26 transactions in criminally derived property of a value greater than
27 \$10,000 that was derived from specified unlawful activities, to wit,
28 violations of Title 18, United States Code, Sections 1591 (Sex

1 Trafficking of Children) and 1952 (Interstate and Foreign Travel in
2 Aid of Racketeering Enterprise), each of which is a specified
3 unlawful activity under 18 U.S.C. §§ 1956(c)(7)(A), 1956(c)(7)(B)(iv)
4 and 1956(c)(7)(D), and a conspiracy to commit such offenses. The
5 Defendant Assets are therefore subject to forfeiture to the United
6 States pursuant to 18 U.S.C. § 981(a)(1)(A).

7 THIRD CLAIM FOR RELIEF

8 (18 U.S.C. § 981(a)(1)(A))

9 129. Based on the facts set out above, Plaintiff alleges that
10 the Defendant Assets were involved in, and are traceable to property
11 involved in, one or more transactions or attempted transactions in
12 violation of section 18 U.S.C. § 1956(a)(1)(B)(i) (Concealment Money
13 Laundering), (a)(2) (International Money Laundering), and a
14 conspiracy to commit such offenses, in violation of section 18 U.S.C.
15 § 1956(h). Specifically, the Defendant Assets were involved in and
16 are traceable to property involved in one or more financial
17 transactions, attempted transactions, and a conspiracy to conduct or
18 attempt to conduct such transactions involving the proceeds of
19 specified unlawful activity, to wit, violations of Title 18, United
20 States Code, Sections 1591 (Sex Trafficking of Children) and 1952
21 (Interstate and Foreign Travel in Aid of Racketeering Enterprise),
22 each of which is a specified unlawful activity under 18 U.S.C.
23 §§ 1956(c)(7)(A), 1956(c)(7)(B)(iv) and 1956(c)(7)(D), and a
24 conspiracy to commit such offenses. The Defendant Assets are
25 therefore subject to forfeiture to the United States pursuant to 18
26 U.S.C. § 981(a)(1)(A).

27 WHEREFORE, plaintiff United States of America prays that:
28

1 (a) due process issue to enforce the forfeiture of the
2 Defendant Assets;

3 (b) due notice be given to all interested parties to appear and
4 show cause why forfeiture should not be decreed;

5 (c) that this Court decree forfeiture of the Defendant Assets
6 to the United States of America for disposition according to law; and

7 (d) for such other and further relief as this Court may deem
8 just and proper, together with the costs and disbursements of this
9 action.

10
11 Dated: October 5, 2018

NICOLA T. HANNA
United States Attorney
LAWRENCE S. MIDDLETON
Assistant United States Attorney
Chief, Criminal Division
STEVEN R. WELK
Assistant United States Attorney
Chief, Asset Forfeiture Section

12
13
14
15
16 /s/John J. Kucera
17 JOHN J. KUCERA
Assistant United States Attorney

18 Attorneys for Plaintiff
19 United States of America
20
21
22
23
24
25
26
27
28

VERIFICATION

I, Lyndon A Versoza, hereby declare that:


1. I am a United States Postal Inspector with the United States Postal Inspection Service. I am the case agent for the civil forfeiture action entitled *United States v. Various Internet Domain Names*.

2. I have read the above Verified Complaint for Forfeiture and know its contents, which is based upon my own personal knowledge and reports provided to me by other agents.

3. Everything contained in the Complaint is true and correct, to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 5, 2018 in Los Angeles, California.



LYNDON A VERSOZA
U.S. Postal Inspector
United States Postal Inspection
Service