



# NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY  
WESTERN DISTRICT OF MISSOURI

**TODD P. GRAVES**

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**FOR IMMEDIATE RELEASE**

## **GEORGIA MAN ARRESTED ON FEDERAL INDICTMENT FOR DEFRAUDING 99 INVESTORS OUT OF MORE THAN \$3 MILLION**

**KANSAS CITY, Mo.** – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a Georgia man – indicted by a federal grand jury earlier this year in an investment scheme that allegedly defrauded 99 Missouri and Kansas investors out of more than \$3 million – has been arrested by law enforcement officials in Boston, Mass.

**Milo I. Worthing, Jr.**, 57, of Alpharetta, Georgia, and Berkshire, England, was charged in a 23-count indictment returned under seal by a federal grand jury in Kansas City on Feb. 3, 2003. That indictment was unsealed and made public upon **Worthing's** arrest and initial appearance in federal court in Boston today.

**Billie L. Brandenburg**, 63, of Ravenna, Ky., is a co-defendant in the federal indictment.

The federal indictment alleges that **Worthing** and **Brandenburg** conspired from early 1995 through December, 2002, to induce individuals to invest in non-existent bank instrument and currency trading programs, by promising exorbitant returns over short periods of time. As a result of this scheme to defraud, the indictment alleges, **Worthing** and **Brandenburg** obtained approximately \$3,037,250 from 99 victim-investors in Higginsville, Osage Beach, and Richmond, Mo., Mound City, Kan., and elsewhere.

According to the federal indictment, **Worthing** and **Brandenburg** solicited potential investors to invest in programs through PARDS Group, Universal Trade Equities, and Universal Trust Europe, by falsely representing to potential investors that the programs were high yield and low risk, that the programs earned money through trading in the international community currency and bank instruments, and that investors would reap enormous returns on monies invested.

The federal indictment alleges that **Worthing** and **Brandenburg** converted the money they received from victim-investors to their own use. The defendants also allegedly used a portion of those funds to repay other individuals who had invested funds in order to induce new individuals to invest and to lull prior victim-investors into believing in the trading programs and believing that they were receiving a return on their investment. In order to conceal the scheme and encourage further investments, the defendants allegedly repaid certain victim-investors their principal and/or a return on their investment, a total of approximately \$385,079.

The federal indictment alleges that **Worthing** and **Brandenburg** told victim-investors fictitious reasons why the payment of investment returns and/or principal funds had been delayed, the purpose of which was to discourage victim-investors from taking steps to recoup their lost funds.

The federal indictment alleges that **Worthing** and **Brandenburg** told victims that their investments would earn up to 50 percent or greater in 45 days, and that the investments were guaranteed by security notes and by emeralds, rubies and/or other gemstones by Lloyd's of London. **Worthing** and **Brandenburg** allegedly told victim-investors that the investments were safe, having little or no risk, and that the trading programs provided almost instant liquidity, excellent capital safety, and were highly protected and regulated by the International Chamber of Commerce rules governing international finance. **Worthing** and **Brandenburg** allegedly claimed that the trading programs were connected to the World Bank, the Federal Reserve Bank, and the International Monetary Fund.

**Worthing** and **Brandenburg** allegedly claimed that they had previously been involved with trading programs and had been successful. Victim-investors were subject to secrecy requirements, according to the indictment.

Counts Two through Fourteen of the federal indictment allege that **Worthing** and **Brandenburg** caused a series of financial transfers, totaling \$945,123.50, from victim-investors to the bank account of Universal Trade Equities in Atlanta, Georgia; Universal Trust Europe in London, England; and Marathon Trust in Kansas City, Mo., between March 10, 1998 and Oct. 23, 1998.

Counts Fifteen through Nineteen of the federal indictment are wire fraud charges that allege a series of facsimile transmissions of documents related to the execution of the conspiracy to defraud, between July 8, 1998 and Sept. 8, 1999.

Counts Twenty and Twenty-One of the federal indictment are mail fraud charges that allege the delivery of documents related to the execution of the conspiracy to defraud on Nov. 14, 1998 and April 9, 1999.

Count Twenty-Two of the federal indictment alleges that **Worthing** and **Brandenburg** transferred \$80,000 from the account of Marathon Trust in Kansas City, Mo., to the account of Universal Trust Europe in London, England, knowing that the money was derived from the wire fraud as alleged in Counts Fifteen through Sixteen.

Count Twenty-Three of the federal indictment alleges that **Worthing** and **Brandenburg** transferred \$450,000 from the account of Marathon Trust in Kansas City, Mo., to the account of KenTrust, Inc., in Louisville, Ky., knowing that the money was derived from the wire fraud as alleged in Counts Fifteen through Sixteen.

Graves cautioned that the charges contained in the indictment are simply accusations, and not evidence of guilt. Evidence supporting the charges must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

The case is being prosecuted by Assistant U.S. Attorney Linda Parker Marshall. The case was investigated by the U.S. Postal Inspection Service, the Internal Revenue Service and the Kansas Office of the Securities Commissioner.

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This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

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